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THE JERUSALEM POST

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INSIDE

Nurses may intensify strike —Page 2

Reagan orders rethink of S. Africa policy —Page 3

IDF unveils new helicopter —Page 4

Tito's son talks to 'The Post' —Page 4



Argentine captain Diego Maradona climbs over West German goalkeeper Harald Schumacher in an exciting moment during last night's World Cup final in Mexico City. But there was no need for the Argentine superstar to have been sad. He did not score but his brilliance inspired his team to a thrilling 3-2 victory which gave them the World Cup for the second time in eight years. Match Report page 3. (Reuter telephoto)

Zamir: I opposed Shin Bet package

By BARBARA AMOUYAL
For The Jerusalem Post

Documents implicating Shin Bet men and others in a cover-up persuaded former attorney-general Professor Yitzhak Zamir to press for a full investigation into events following the April 1984 bus hijacking. He had earlier been inclined to waive prosecution if Shin Bet head Avraham Shalom had resigned.

Responding to charges by attorney Ram Caspi and several government officials that he had countenanced last week's widely-criticized resignation/pardon deal, Zamir said that on receipt of the documents, he had become convinced that "there was no option but to proceed with a criminal investigation."

Zamir told *The Jerusalem Post* that before receiving the "incontrovertible" new documents and before asking Police Inspector-General David Kraus to start an investigation, he had been approached by a "high-level government source" who had broached the possibility of Shalom's voluntary resignation.

"He wanted to know if (Shalom's) resignation would satisfactorily end the controversial dispute. At the time, I said I'd be willing to consider the option," said Zamir.

"But new developments in the case led me to believe that all the suspicions were more than well-founded and that the issue extended much further than originally believed," said Zamir.

Zamir refused to elaborate on whether the documents implicated Vice Premier Yitzhak Shamir. He said that a few days before last week's cabinet decision to accept Shalom's resignation and the subsequent presidential pardon of all four GSS men involved in the alleged cover-up, he had again been asked if he would be satisfied with Shalom's resignation.

"My answer was an immediate, clear-cut 'no'," said Zamir.

According to Zamir, the furore in

(Continued on back page)

Peres to face Knesset on GSS

Deal in court today

By BENNY MORRIS
Post Diplomatic Correspondent

The focus of interest in the General Security Service (Shin Bet) affair will switch today to the High Court of Justice and the Knesset following the postponement at yesterday's cabinet meeting of a decision on whether to launch a judicial commission of inquiry.

Prime Minister Peres's statement in the Knesset this afternoon, defending the government against several no-confidence motions, as well as the preliminary decisions of the High Court, are likely to affect the momentum of the campaign for a commission of inquiry.

The cabinet meeting, studded with bitter exchanges between Labour and Likud ministers, broke up without a vote on the motion by Energy Minister Shahal and Communications Minister Rubinstein to set up a commission of inquiry to probe the alleged cover-up following the killing of two captured terrorists *in April 1984*.

While most Labour ministers, reportedly including Peres, backed the inquiry motion, Likud leader and Vice Premier Shamir lashed out against those he believes are out for his political blood. The Labour figures calling for an inquiry focused on the need to probe "the political echelon," which is code for Shamir, who was prime minister in 1984.

Social Affairs Minister Katsav said on television yesterday that Shamir had "certainly retroactively approved" what happened in 1984. It was unclear whether the reference was to the cover-up or the killings.

Shahal interview — Page 2

During yesterday's cabinet meeting, Health Minister Gur called on Shamir to resign in view of his "responsibility" for what happened. He charged that Shamir had caused a "cancer".

Shamir responded that those who were calling for an investigation had made up their minds in advance. He called for an "immediate vote" in the cabinet on the motion to set up a commission of inquiry.

Shamir was quoted as saying yesterday: "Let the journalists bark and shout for a few days...We won't pay attention to all those gangs (demanding a commission of inquiry)."

Shamir also attacked former attorney-general Yitzhak Zamir, who had demanded an investigation of the affair, saying that Zamir had "caused damage to the state and security."

The postponement of the vote will allow ministers today to seek a possible compromise between the basic Labour demand for a commission of inquiry and the Likud's resistance to any type of investigation. Labour's Yitzhak Rabin, the defence minister, and Police Minister Haim Bar-Lev yesterday reportedly remained unenthusiastic about the prospect of such a commission.

The two parties will also be able to see at least the initial upshot of the four petitions on the affair to the High Court of Justice, which will be heard this afternoon. The petitions are directed against the presidential pardon of Shin Bet chief Avraham Shalom and three of his aides implicated in the killings and the cover-up.

If the court rules against the petitioners on *technical (no standing)* or substantive grounds, the ball will be back in the political arena. A court

(Continued on Page 2, Col. 1)

Madrid bomb blast

Rabin blames Syrians

By HIRSH GOODMAN
Post Defence Correspondent

Defence Minister Rabin revealed yesterday that he had "good reason to believe" that the terrorist who had prepared the bomb that exploded at El Al's counter in Madrid last week "arrived in Spain on a Syrian passport, and the Syrians knew whom they were giving it to."

The defence minister was speaking at a symposium on terror at Tel Aviv university yesterday.

Despite this, Rabin said that "even though state support for terror is one of the major impediments to fighting terror, I suggest we think three times before embarking on a war against an Arab state that supports terror.

"Israel would have been in a terrible dilemma had it discovered footsteps leading to whatever country. Would we have gone to war over that, or what would we have done?" he said. "Israel's aim can only be maximum prevention of terror attacks and maximum damage to anybody who tries to harm it."

"Our goals in fighting terror," he continued, "must be limited and designed so that Israel suffers as few casualties as possible, and that the terrorists suffer maximum damage."

There were other means of pressuring countries to desist from supporting terror, according to Rabin. He noted, for example, that Saudi Arabia remained the biggest financer of terror – "but yet I have heard no American call on them to stop," Rabin said. "The opposite is true," he said. "Instead, we hear about arms sales and how moderate the Saudi Arabians are."

Rabin told the packed audience at the symposium – organized by the Jaffee Centre for Strategic Studies to mark 10 years since the Entebbe Operation – that state-supported terror had given the war against terror a different perspective.

Without the billions of dollars terror organizations received from states such as Saudi Arabia, the Gulf states, Iran and Libya, the terrorists would not be able to function,

In addition to Syria allowing use of its passports, that country's role in the London attempt to blow up an El Al airliner in April was well documented, he continued. "If either attempt – Heathrow or Madrid – had succeeded, we would have had a totally different problem."

He warned that "we have to be prepared for this eventuality as well; to respond with military action or other means. But," he added, "I would counsel that we think three times before embarking on war."

Alignment gives Peres a free hand

By ASHER WALLFISH and SARAH HONIG
Jerusalem Post Correspondents

The Alignment Knesset faction last night appeared to be giving Prime Minister Peres a free hand to advocate some form of inquiry into the role of the political echelon in the General Security Service (Shin Bet) affair, on the understanding that he would not present the demand for a judicial commission of inquiry as an ultimatum.

At an agitated three-hour faction meeting, held behind closed doors in the Prime Minister's Office, Peres said that today, as in the past, he favoured an examination of the role of the political echelon and not just of lower officials.

Prime Minister Peres last night told his Labour Party that he was unaware of the Shin Bet cover-up until then-attorney-general Yitzhak Zamir brought it to his attention several months ago. He said he was not afraid of an investigation of the "political echelons".

Peres said he was personally ready to face any inquiry into his own role in the affair, since he had become prime minister in its later stages.

He said that in his reply to the no-confidence motions this afternoon, he would present the first official, detailed account of the affair, so that the Knesset and the public would be better able to judge for themselves.

Defence Minister Rabin noted that it was virtually impossible to conduct a probe now that President Herzog had pardoned the head of the Shin Bet and three of his senior officials.

Several Alignment MKs told *The Jerusalem Post* that the faction had not tried to dictate a course of action to the prime minister. After Peres had stated his position and outlined the issues, only seven MKs had time to speak, though many more had their names down.

Breaking up in good time to watch the World Cup final in Mexico, the faction decided to continue the discussion today or tomorrow in light of developments in the Knesset no-confidence debate and the High

(Continued on Page 2, Col. 5)

Iraqi president accuses Israel of fueling Gulf war

BAGHDAD (AP). – President Saddam Hussein of Iraq yesterday accused Israel of fueling the protracted war between Iraq and Iran, vowing that his country would fight on and never bend.

In a speech to soldiers, the Iraqi leader insisted that the 69-month-old war was the product of a "conspiracy, in which Israel fuels the flames of conflict."

The speech came hours after the Iraqi high command's warning that Iran's use of surface-to-surface missiles against civilian districts in a northern Iraqi city last week could rekindle the "war of the cities" between the two belligerents.

The speech was broadcast on the state-run radio and television.

Hussein blamed the war on a "big conspiracy...Israel is the party that fuels the flames of conflict."

Israel "provides (Iran's Ayatollah Ruhollah) Khomeini and his clique with what they need to prolong the war," said Hussein.

He accused "world Zionism" and Israel of attempting to prolong the war because Iraq was advancing quickly and developing socially, economically, culturally and politically in the international arena.

"We say to the Israelis and the Zionists wherever they are, we say to the suspicious tyrants in Iran: Iraq has chosen its way of life and will proceed, strong and steady, and will not back off and will be victorious at the end, no matter what the difficulties were and no matter how long the war may last," said Hussein.

Unlike other Arab countries, Iraq has never signed a truce with Israel.

Syrian leader fails in desperate bid for $500m. Saudi aid

Post Middle East Staff

Syrian Vice President Abdul-Halim Khaddam recently made a secret trip to the Saudi Arabian city of Taif to ask King Fahd for $500 million to stave off a Syrian economic collapse, according to the Egyptian weekly *Ahar Sa'ah*.

But Fahd refused the request, citing economic problems of his own, the news report said.

The king reportedly told Khaddam that Saudi Arabia was suffering from the decline in oil prices, which had created a budget deficit.

The king said that Saudi Arabia would not be able to provide Syria with more than the annual $800 million in aid to which it is already committed.

Labour – on a no-win course?

ANALYSIS
ASHER WALLFISH

The Alignment Ministers and Knesset Members who are demanding a judicial commission of inquiry into the role of Vice-Premier Yitzhak Shamir in the *bus hijack* cover-up may well be leading their party up a blind alley.

The Likud will continue to reject the demand ad infinitum and the Alignment has no way of mustering a Cabinet majority to defeat the Likud.

Even if, in theory, the Alignment managed to create a majority in the full Cabinet, the Likud could always transfer the issue to the Inner Cabinet, and block the proposal for a judicial inquiry there, in a tie vote.

The Likud is in such a strong position that it does not need to consider proposals for something *less than a full inquiry*, if it does not wish to.

Prime Minister Shimon Peres knows that if he brings the Government down, by resigning, he not only violates the coalition agreement, but brings about an impossible situation in which the only government which could emerge would be virtually the same as now.

Peres knows that the Alignment will find it hard to muster the necessary Knesset majority for a bill dissolving the Knesset.

If he brings the Government down by losing a vote of no-confidence, thus paving the way for elections, he must face the risk that the Alignment could be returned with less seats than today, and with less prospect of *attaining* a judicial inquiry.

The Alignment Knesset faction cannot compel *all* the Alignment Ministers to vote for a judicial inquiry. The Labour Party Central Committee can so compel them, but that step would not produce a Cabinet majority, and in any case the Inner Cabinet would always play the decisive role, and kill the *inquiry* proposal.

The High Court would weaken the Alignment case if it threw out the pleas against the presidential amnesty procedure. The High Court might bolster the Alignment's resolve if it allowed the pleas, but it might not bolster enough electoral support for the Alignment to make elections worthwhile, even if elections could be brought about, which is doubtful.

Alignment agitation against Shamir, while perhaps reflecting some moral conviction, cannot disguise political weakness. The hardbitten politicians who are mounting the Alignment crusade against Shamir, know they could lose by bringing the crusade to its final destination. They know that the inquiry issue will only remain lethal ammunition, if they never shoot it off.

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The New York Times
WEEKLY REVIEW
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BUENOS AIRES	11	51	17	62	Cloudy
CHICAGO	21	70	28	82	Clear
COPENHAGEN	17	63	25	77	Clear
FRANKFURT	14	57	32	90	Clear
GENEVA	16	61	30	86	Clear
HELSINKI	15	59	23	73	Clear
HONG KONG	28	82	31	88	Clear
JOHANNESBURG	6	43	18	64	Clear
LISBON	15	59	24	75	Cloudy
LONDON	17	63	27	81	Clear
MADRID	16	61	34	93	Clear
MONTREAL	18	64	24	75	Cloudy
NEW YORK	23	73	30	86	Clear
OSLO	14	57	25	77	Clear
PARIS	22	72	34	93	Clear
RIO DE JANEIRO	14	58	27	81	Clear
SAO PAULO	10	56	25	77	Clear
STOCKHOLM	15	59	27	80	Clear
TOKYO	17	63	19	66	Rain
TORONTO	16	61	28	82	Clear
VIENNA	19	66	28	83	Cloudy
ZURICH	22	72	32	90	Clear

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THE WEATHER

Forecast: Pleasant weather.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	44	16-23	25
Golan	33	14-26	28
Nahariya	83	19-27	28
Safad	43	14-24	25
Haifa Port	—	—	—
Tiberias	32	19-32	34
Nazareth	49	18-26	28
Afula	46	18-29	31
Shomron	44	17-26	28
Tel Aviv	58	21-28	28
B-G Airport	53	19-27	29
Jericho	27	21-34	36
Gaza	65	21-27	28
Beersheba	40	18-30	32
Eilat	23	25-37	38

In Memoriam

Distinguished guests and friends from Israel and abroad, together with representatives of Keren Hayesod, Hadassah, The Association of Americans and Canadians, The Jewish Theological Seminary of New York and members of the Zionist General Council, yesterday joined Bertha Goldstein in unveiling the tombstone for her late beloved husband, Dr. Israel Goldstein, who passed away last April.

27 hurt in crash north of Eilat

EILAT (Itim). – Twenty-seven people were hurt yesterday when a tourist bus collided with a lorry on the Arava road north of here.

The accident happened near Kibbutz Grofit.

Consider leaving some intensive care units

Nurses may step up strike

By MENACHEM SHALEV
For The Jerusalem Post

Hospital nurses may decide today to intensify their strike and are considering abandoning some intensive care units.

"We've had it with formulas and committees," said Ilana Cohen, one of their leaders. "We are under pressure from the nurses in the hospitals to take more drastic action."

Talks between the hospital nurses and the government are stalemated over the issue of separate wage negotiations. The nurses insist on negotiations "with no preconditions." Last night they rejected the formula of talks "in accordance with the government's policy," which would allow for their wage claims to be discussed only within the framework of the current general public sector wage negotiations.

Hillel, director of the Treasury's wages department, told *The Jerusalem Post* last night, "We are not the nurses' puppets. The government won't change its policy. Most hospitals are beginning to get along without them anyway."

A skeleton staff of nurses went back to work in emergency wards and hospital departments yesterday. In return, the Health Ministry cancelled emergency back-to-work orders issued last Thursday but universally defied.

Since last Monday, hospitals around the country have discharged over half their patients, so that the return of some nurses, aided by an increased number of volunteers, patients' relatives and doctors on duty, has created a situation that nurses at Hadassah-Ein Kerem in Jerusalem yesterday termed as "better than before the strike."

But doctors, under strain due to the increased workload of the past week, have threatened to join the nurses in abandoning the hospitals.

Doctors at Hadassah yesterday announced that they would no longer transfer patients from the emergency ward to regular wards because of the lack of nurses.

At yesterday's cabinet meeting Prime Minister Peres reiterated the government's opposition to separate wage talks with the nurses.

Nurses were furious at the Treasury's release of statistics on their wages. The Treasury's figures indicate that the average gross pay of a hospital nurse who works full time, without extra night or weekend shifts will be NIS 1263 as of tomorrow.

Susan Gordon, with 16 years seniority at Hadassah's ear, nose and throat department told *The Post* yesterday "These statistics are preposterous. Last month I worked 15 evening-night and week-end shifts, and only 5 regular day-shifts. We are supposed to work 20 shifts a month, and most of mine were in the so-called 'higher pay' category. I got NIS 750 at the end of the month. After 16 years I can't accept a position as departmental head nurse, because then I wouldn't be able to work night and evening shifts and I would make much less than I do now."

Pessia Ashki, with 26 years seniority is the head nurse of the hospital's oncological department. She works four night-shifts a month in order to take home NIS 800.

At Beilinson Hospital in Petah Tikva yesterday, nurses responded to an urgent call to assist in a Ceasarean delivery of twin test-tube babies, the first born at the hospital. The 35-year-old Netanya mother, who gave birth in her 28th week of pregnancy, and the twins were reported to be doing well last night.



Villagers from Midiya protesting the removal of olive trees from their area vie for attention with other demonstrators opposite the Prime Minister's Office. On hand were Citizens Rights Movement protesters demanding an investigation into the Shin Bet affair; Beduin demanding housing; and ultra-Orthodox protesters against the Mormon Brigham Young study centre.
(Isaac Harari)

Villagers bring olive-tree trunks to demonstration at PM's office

By JOEL GREENBERG
Jerusalem Post Reporter

Villagers from Midiya in the West Bank demonstrated yesterday in front of the Prime Minister's Office to protest against the uprooting of olive and fruit trees in and around their village two weeks ago. The villagers, who say 3,300 trees were bulldozed and cut down, stood behind two large uprooted olive-tree trunks they had brought to refute claims by the Israel Lands Administration that only four- and five-year-old trees had been uprooted.

The administration says the trees were illegally planted on state land, though villagers have argued that the lands were registered in their names.

Signs carried by the demonstrators said trees as old as 60 years had been pulled out from land which had been cultivated by villagers for generations. Other signs demanded that those responsible for the uprooting operation be brought to justice, and that the cultivated areas be returned for use by the villagers.

Nuri el-Uqbi, who has represented the villagers and also chairs the Committee for Defence of Beduin Rights, requested a meeting with Agriculture Minister Arye Nehamkin and submitted a letter asking him to visit the demonstrators. He received no reply.

One elderly villager, Yousef Mustafa, who lost some 800 trees and was the hardest hit by the uprooting operation, was overcome by emotion and fainted. He was taken to hospital by ambulance.

Villagers later resisted police efforts to remove the tree trunks, climbing onto the trees and clinging to them. After further negotiations with police at the scene, the villagers were lifted from the trees by police.

Bus crash parents angered by Petah Tikva 'rally for Sabbath'

PETAH TIKVA (Itim). – Bereaved parents of the victims of last year's train-bus collision are upset about the "rally for the Sabbath" to be held here today – the anniversary – according to the Hebrew date – of the children's deaths.

Nineteen children and three adults were killed on June 11 last year when a bus carrying Petah Tikva pupils on a school trip was hit by a train at the Habonim junction.

Thousands of townspeople are expected at a ceremony to be held at 5:30 this afternoon at the Sgula cemetery.

The "rally for the Sabbath" is to be held two hours later at the Shalom cinema here. Among the speakers will be Interior Minister Yitzhak Peretz, who aroused fury last year when he said that violation of the Sabbath in Petah Tikva had been God's reason for causing the fatal collision.

The head of the committee of bereaved parents, Arye Wrobel, said yesterday that they would have preferred that Peretz had found a different time to speak about the Sabbath. Wrobel said he hoped that the timing of the Sabbath rally did not show any malicious intent, and asked that Peretz not come to the cemetery.

A spokesman for the Petah Tikva municipality said that holding the rally today showed insensitivity – particularly in light of Peretz's comments about the deaths.

But the organizers of the rally said they had not known about the ceremony. Petah Tikva Chief Rabbi Baruch Salomon, one of the leaders of the battle against Sabbath movies here, expressed anger that he had not been invited to the cemetery.

Last Friday morning, Salomon was convicted of illegal assembly in connection with a demonstration at the cinema in April. He was given a one month suspended sentence and fined NIS 750.

Salomon said yesterday that he was not involved in reported plans by religious circles to open a synagogue adjacent to the Heichal cinema.

At Bar-Ilan University, UK Chief Rabbi Immanuel Jakobovits told a seminar at the university's annual board of trustees meeting that religious-secular polarization in Israel was having a divisive influence on Diaspora Jewry.

Ministers to decide on Mormons next week

By HAIM SHAPIRO
Jerusalem Post Reporter

The international committee dealing with the controversial Brigham Young University centre on Mt. Scopus yesterday again deferred a decision, but the members did decide that come what may, next week they will vote on the issue.

The eight-member committee, chaired by Religious Affairs Minister Yosef Burg, was formed in December 1985, on the understanding that it would submit recommendations within a fortnight on the fate of the Mormon institution. Yesterday's meeting was adjourned after the members had failed to agree on any of the four or five proposals submitted.

These range from stopping construction immediately and compensating the institution for costs to allowing the building to be completed and accepting the promise of the university heads that the centre will not engage in missionary activities.

Moshe Shahal tells 'The Post'

GSS case won't be resolved until Shamir explains his role

By BERNARD JOSEPHS

Alignment Minister Moshe Shahal indicated last night that the General Security Service (Shin Bet) affair would not be cleared up until Vice Premier Yitzhak Shamir had answered questions on his role in it.

And the Energy Minister said the scandal would remain a threat to stable government until those responsible were punished.

Shahal is one of the three cabinet members said to be threatening to resign unless a full inquiry is held into the alleged cover up that followed the killing of the captured Palestinian bus hijackers in 1984.

He said the pardoning last week by President Herzog of Shin Bet chief Avraham Shalom and several top aides, who allegedly ordered the killings and then lied and suborned witness to cover up had created "a very dangerous precedent."

"The question is a moral, rather than a political one," said the minister.

Shahal said Aluf Yitzhak Mordechai, who at the time of the incident was chief paratroop officer, had been "framed" by those responsible for killing the terrorists. Mordechai was eventually cleared by an internal army court of beating the two prisoners to death.

"Without an answer to who was responsible for this frame-up, the case will remain open. At this stage, four people have indirectly admitted responsibility and have asked for and been given pardon," continued the minister.

"They implied that they did what they did with full authorization from a higher level, and this needs clarification."

Asked who this "higher level" was, Shahal pointed out that the Prime Minister was directly responsible for the Shin Bet, and that Shamir had been premier at the time. "He has some questions to answer," he added.

About the affect of the affair on national unity, the government and minister said: "Without getting an answer to who is responsible and punishing them for what has happened, there is no way we can say we'll go on with business as usual."

Kashrut supervisor for paper plant

The appointment of a *mashgiah* (kashrut supervisor) to verify the "kashrut" of the paper manufactured at the Hadera paper mills has resolved a dispute between the plant and the Eda Haredit.

The ultra-Orthodox Eda Haredit had earlier announced that since the plant employs Jews on Shabbat, "all the books printed with paper from this factory are considered *mitzva haba be'aveira* fulfilling a commandment by committing a sin. The religious court therefore ruled that people must not buy their books from the company.

The Labour Ministry has also pressed charges against the plant for employing between 19 and 24 Jews on Shabbat during the month of June in violation of the law on work hours and rest days.

The dispute was resolved when the factory agreed to employ a supervisor to ensure that no Jews work on Shabbat and the factory's managing director promised that only Arabs would be allowed into the plant on Shabbat.

The company's attorney explained that the employment of Jews on Shabbat had become necessary in June when Arab workers stayed away to observe the month-long Ramadan fast.

3 Arab youths held in rape of tourists

HAIFA (Itim). – Three Jenin youths were arrested yesterday on suspicion of raping two English tourists sleeping on a beach here.

One of the three, a minor, was yesterday remanded into custody for 10 days by the magistrate's court. The other two, aged 19 and 20, are to be brought to court today.

The tourists, who were visiting Haifa, were asleep on the Bat Galim beach last Tuesday when they were allegedly seized and raped by the three.

Sofaer arrives in Cairo

CAIRO (Reuter). – U.S. State Department legal adviser Judge Abraham Sofaer arrived in Cairo yesterday for talks aimed at finalizing arbitration procedures to settle the Taba border dispute.

(Continued from Page One)

decision against last week's package deal would pave the way for a judicial investigation.

The court, behind closed doors, will also resume hearing the petition by Rafi Malka, the former senior Shin Bet executive, against the Shin Bet and the government. Malka is demanding reinstatemnt in the service. Responding will be Attorney-General Yosef Harish, who this time will be accompanied to the hearing by Yosef Ben-Or, a senior state attorney.

The likeliest upshot of tomorrow's hearing – the deferment of a decision for at least a week or two to give the government pause to prepare its answer – will leave the politicians in a dilemma.

Peres is reluctant to bring the issue to a cabinet vote that Labour would probably lose. But Shahal and Rubinstein are pressing for a vote. Should the vote go against Labour, the two ministers will be in a position to demand the break-up of the government, arguing that the partnership with the Likud is undermining the rule of law.

The Shinui Movement's executive bodies are expected to vote against remaining in the government if a commission of inquiry is not launched.

Observers expect that in the next day or two Peres will continue the search for a compromise solution, perhaps based on a low-key probe by a lone investigator. But such a compromise will have to satisfy both the Likud ministers, who oppose any probe, and Labour's rebels, some of whom have threatened to quit, or have implied that they will quit, if a commission of inquiry is not set up.

Peres will be chary of forcing a compromise that will lead to Rubinstein's departure from the cabinet, and to the resignation of Minister-without-Portfolio Ezer Weizman and, possibly, also Shahal, which would leave Labour and its affiliates in a minority in the cabinet.

This afternoon, the Knesset is scheduled to vote on several no-confidence motions on the government's handling of the Shin Bet affair. Peres, in his reply to the motions, is likely to outline his own and Labour's stands on the issue to date. Observers will be watching Labour's ranks to see how many MKs abstain or vote with the critics of the pardon/resignation deal.

It has been learned that Shin Bet chief Avraham Shalom is expected to remain at his post for another three to six months, despite his formal resignation last week.

Wolf Blitzer adds from Washington: The blanket pardon granted to Shalom and three of his aides was sharply criticized yesterday by *The Washington Post*.

In an editorial, the newspaper said: "Israel' s pride is to live in a condition of war and yet to preserve a democratic, humanistic essence. The Shin Bet scandal savages this claim.

"It is not hard to understand how a country continually prey to terrorism can be seized by an impulse to strike back. But Israelis insist that they keep that impulse under the restraint of a dedication to the rule of law. This is why, for many Israelis, the cover-up is worse than the killings. The killings are one of those things that can happen in a terrible moment. The cover-up is something that requires connivance by the system, a system that is supposed to deal responsibly with surrenders to terrible moments."

The editorial, entitled "Again, an Israeli Scandal," went on to praise the development of a "wave of revulsion in the Israeli public." "Many people are deeply troubled by the spectacle of a politically sanctioned police atrocity... The political conclusions that Israelis draw from this latest intelligence breach could yet become the most important thing about it."

DEAL IN COURT

FREE HAND

(Continued from Page One)

Court hearings, both to be held today.

In the Likud the most common view yesterday was that "Labour never intended to let Shamir be prime minister. This is the time and way in which they are foiling rotation," as one senior Herut minister told *The Post*.

What makes this crisis different to the previous ones is that the Likud is ready to face elections. There could not be a better issue for the Likud, it is said in Metzudat Ze'ev, the Herut headquarters.

"It's a gift on a silver platter," one Likud minister told *The Post*. Likud politicians no longer believe that Labour will go through with the rotation, or that the Likud will have a better issue to take to the voters.

Moreover, Likud sources say that no one in the party would agree to replace Shamir. Such a move would be tantamount to political suicide. Shamir's popularity in Herut is at an unprecedented level and Herut is known to rally round party figures under attack from outside.

Shamir's greatest rival in Herut, David Levy, yesterday quickly denied rumours that he would challenge Shamir for the top spot on the party's Knesset list. Levy, it is said in Herut, has learned his lesson from what happened in 1984 to Mordechai Zipori when he was ousted from the Knesset list for his stand against Ariel Sharon and Shamir during the Kahan inquiry.

It was still not clear yesterday how the National Religious Party's Yosef Burg would vote if the cabinet was asked to decide on holding an inquiry. Burg has kept silent so far, despite a call by NRP secretary-general Zevulun Hammer to vote with the Likud against a probe.

Whatever Burg does, though, the Likud has an edge in the cabinet.



A passer-by listens as Absorption Minister Ya'acov Tsur reads out the names of refuseniks yesterday in the centre of Jerusalem. The names of 11,000 Soviet Jews who have been refused permission to emigrate were recited by ministers, Knesset members and other public figures. The Public Council for Soviet Jewry held the marathon roll-call to draw attention to the Soviet authorities' increasingly severe treatment of refuseniks.
(Rahamim Israeli)

Stern to get at least six years in plea bargain

By BARBARA AMOUYAL

A plea bargain reached between Jerusalem's district prosecutors and Moshe Stern, the former North American Bank Jerusalem branch manager accused of stealing $11 million, may save the Bank of Israel "millions of dollars" in law suits, says assistant district prosecutor Shimoni Dolan.

Stern initiated the plea bargain which will result in a six-to-eight year prison sentence. He is charged with 15 counts of theft, embezzlement, unauthorized transfer of bank assets and illegal receipt of bank loans for private use. Stern has already pleaded guilty to 12 counts, and plans to contest the remaining three when his trial begins on July 9.

According to the prosecution, the state readily agreed to the deal because it may mean great financial savings and "because the agreed-upon prison term is not that much less than he would have received if he were convicted."

Stern is understood to have divulged information which may aid in the location of "lost" North American bank reserves. Further, Stern's cooperation may discourage many "golddiggers" from filing suit against the defunct bank; suits which would have to be met by the Bank of Israel if found justified by the courts.

According to the plea bargain signed by Stern and district prosecutors Asher Palgi and Shimon Dolan, Stern will provide "complete explanations to the satisfaction of the Bank of Israel" about the missing North American bank reserves, estimated by some to exceed $35 million. Stern will be expected to testify against former North American Bank general-manager and Stern-protege Hadassah Monsah.

Rosenne meets with lawyers over Pollard

Jerusalem Post Correspondent

WASHINGTON. – Israeli Ambassador Meir Rosenne consulted yesterday with Haim Zadok and Ram Caspi, the two Tel Aviv lawyers here to meet this week with Justice Department officials investigating the Pollard case.

Rosenne has been instructed to join Zadok and Caspi at all their meetings this week with the U.S. attorney for the District of Columbia, Joseph DeGenova, and other U.S. officials. Those sessions are expected to begin today.

The two lawyers have come to Washington to establish the ground-rules for U.S. questioning of Israeli Air Force Colonel Aviam Sella, accused by the Justice Department of conspiring with Pollard and three other Israeli officials in an espionage ring. The lawyers are also here to tie up other loose ends of the Pollard case, according to Israeli officials.

The Pollard and Shin Bet scandals have seriously embarrassed Israeli diplomats, who are finding it increasingly difficult to explain exactly what's going on back home.

The New York Times, in a report from Jerusalem, noted that Prime minister Peres had "changed his position many times in the last month – first opposing any inquiry, then supporting one, then opposing it again and most recently seeming to lean toward the idea..."

The report quoted Israeli officials as saying that dissatisfaction with his leadership appears to be widespread in the Labour Party. "His handling of the Shin Bet scandal in particular has shocked many liberals and civil liberties groups, who had looked on the Prime Minister as an ally," wrote *Times* correspondent Thomas Friedman.

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Shiva at 24 Rehov Dakar, Petah Tikva.

U.S. may seek closer ties with anti-apartheid groups

Reagan orders review of S. Africa policy

WASHINGTON. – President Ronald Reagan has ordered a top level reappraisal of U.S. policy towards South Africa, including the possibility of closer links between Washington and the banned African National Congress (ANC), a senior government official said.

The official, who requested anonymity, said on Saturday night that Mr. Reagan had asked senior State Department officials and the National Security Council to study possible changes in U.S. handling of the South African situation.

But he added that the move did not amount to abandoning Washington's so-called "constructive engagement" policy towards Pretoria, and would not alter strong U.S. opposition to economic sanctions.

The official said the government was notably considering establishing closer links with anti-apartheid groups in South Africa, including the outlawed ANC, the most powerful guerrilla movement fighting to topple the white minority government.

Washington still plans to work closely with Britain in promoting a negotiated settlement to the South African crisis, the official said.

In Johannesburg yesterday, thousands of heavily-armed Zulu warriors poured into the black township of Soweto to hear their moderate leader Mangosuthu Buthelezi give guarded approval to South African government reforms.

It was the first political meeting in Soweto, a stronghold of anti-apartheid black radicalism, since the government imposed a state of emergency on June 12.

The Zulu chief made a spectacular entry aboard a white helicopter into Soweto's Jabulani stadium, which was packed with about 12,000 people.

He told the rally a proposed multi-racial advisory council – the government's first real effort to bring blacks into government – could herald "the final victory in the black struggle for liberation."

But he stressed he would have nothing to do with the council unless Nelson Mandela, jailed life president of the African National Congress, was freed along with other political prisoners, and the ban on the ANC was lifted.

And he warned that there would be no political progress until the state of emergency was lifted.

There was a heavy security force presence around the stadium and all present, including journalists, were searched for firearms. But the Zulus, who made up most of the crowd – many of them dressed in the animal skins of traditional Zulu garb – were allowed to keep their spears, axes and fighting sticks.

At one point, as Chief Buthelezi was leading the crowd in a hymn for peace, a group of about 200 warriors pranced into the stadium, waving their spears.

The National Council, to be chaired by President Pieter Botha, has been presented as a multiracial national forum in which to negotiate the constitutional future of South Africa.

But it is widely regarded as having no chance to succeed if Chief Buthelezi, leader of the tribal homeland of Kwazulu, refuses to serve on it.

The Zulu chief remains equivocal about his participation, but he said yesterday that blacks would be "foolhardy" to reject the council out of hand if it was really aimed at negotiating a new constitution acceptable to the blacks. (AFP, AP)

U.S. 'seriously studying' new Gorbachev missile bid

WASHINGTON (AP). – Soviet leader Mikhail Gorbachev, in a private letter to President Ronald Reagan, has offered another compromise version of his proposal to curb medium-range nuclear missiles in Europe, a U.S. official said Saturday night.

While details were not divulged, the official, who spoke on condition of anonymity, said, "We are seriously considering their offer and considering a response to it."

The letter was delivered to Reagan by Yuri Dubinin, the new Soviet ambassador here, who presented his credentials along with other new ambassadors at a formal White House ceremony last Monday.

Since Gorbachev took office in March, 1985, he has unveiled a number of proposals for reducing Soviet and U.S. medium-range missiles in Europe, and has made other overtures to reverse the weapons build-ups on both sides.

But Gorbachev has invariably linked his offers to restrictions on Reagan's quest for an anti-missile shield, warning that the programme known popularly as "Star Wars" could carry the arms competition into space. Reagan, determined to explore space-based defences, has consistently turned Gorbachev down.

President Reagan, in an interview published by a Paris weekly yesterday, said he believed Gorbachev wanted a summit meeting, and the only problem was setting a date.

"Obviously, I want one too," he told the magazine *Le Point*.

Reagan rejected a suggestion that the summit should take place in Paris to get round any reluctance on Gorbachev's part to come to the U.S.

He recalled that at their first meeting in Geneva it was agreed to meet again this year in the U.S. But Moscow refused to attend a preparatory session for the summit after the U.S. bombing of Libya in April.

The interview was given in the run-up to this week's centenary celebrations in New York for the Statue of Liberty – a gift from France – which will be attended by President Francois Mitterrand.

Peru facing threat of coup, Brandt reports after visit

BONN. – Former chancellor Willy Brandt, who returned from a visit to Peru last week, has warned that there is an imminent danger of a coup there, a spokesman for Brandt's Social Democrats (SPD) said yesterday.

Wolfgang Clement said Brandt, chairman of the socialist International, told a meeting of the SPD executive in Munich Saturday that left-wing guerrilla violence was helping pave the way for a takeover by forces opposed to Peruvian President Alan Garcia's moves towards democracy and social reform.

Brandt, who is also chairman of the SPD, was in Lima for a meeting of the Socialist International, which took place amid bloody prison riots by left-wing Sendero Luminoso (Shining Path) guerrillas. The revolts were quashed by the military, with the loss of at least 156 lives – the official figure – most of them prisoners who had surrendered.

In Lima, meanwhile, a presidential spokesman said an investigation into the slaying of the prison inmates could spread into the ranks of the military. At least 100 members of the paramilitary police, the Republican Guard, have already been jailed in connection with the slayings, according to Justice Minister Luis Gonzalez Posada.

"I believe Peru must not let this crime be covered up," Gonzalez said.

Other foreign observers in Lima have also said that if the investigation spreads to the military, it could mean a confrontation with Peru's generals who ruled the country from 1968 to 1980.

The military twice blocked Garcia's Aprista Party from assuming power before he took office last July after winning an election. (Reuter, AP)

Protests at Turk premier's visit to northern Cyprus

NICOSIA (Reuter). – Turkish Prime Minister Turgut Ozal will pay his first visit to breakaway Northern Cyprus on Wednesday, to the fury of Athens and the Cyprus government.

The visit, which has been angrily denounced in Athens and criticized by U.S., Soviet, European, UN and non-aligned movement officials, coincides with deadlock in UN efforts to reunite the two communities in a federal republic.

Cyprus's 56-seat House of Representatives last week passed a unanimous resolution urging UN action to stop Ozal's visit. But Turkish Cypriot leader Rauf Denktash said that the House, from which his community withdrew amid intercommunal strife in 1963, could not speak for all Cypriots.

"Mr. Ozal is coming to the Turkish republic of Northern Cyprus as our guest, and this has nothing to do with the south," he told reporters.

Turkey invaded and occupied Cyprus's northern third in 1974. It provides more than half the breakaway state's $99 million 1986 budget, along with development aid and some $26 million in loans from the Turkish state-owned bank, Ziraat Bankasi.

Turkish officials say the emphasis of the visit will be economic. Turkish Cypriots, whose per capita income is one third that of the Greek Cypriots, are keen to use the visit to attract more business investment to a stagnant economy.

Ozal will be accompanied by a group of prominent Turkish businessmen.

U.S. Senator in 'apparent suicide'

WASHINGTON (Reuter). – Senator John East was found dead at his home in Greenville, N.C. yesterday, the victim of an apparent suicide, a spokesman said. He was 55.

East's body was found in his car by an aide, his press secretary Jerry Woodruff said.

It was an "apparent suicide," Woodruff said. He had no further information.

A police spokesman added only that the Federal Bureau of Investigation, the State Bureau of Investigation and local police were called to the scene, a police spokesman said.

East, a Republican, was elected to the Senate from North Carolina in 1980. He announced last September that he would not seek a second six-year term.

A lawyer and former political science professor at East Carolina University, East was a close political ally of North Carolina's senior senator Jesse Helms.

East missed much of the 1985 legislative sessions because of a serious problem with an illness that forced him into the hospital for treatment. He had been confined to a wheelchair since contracting polio when he was 24 years old.

Yugoslavs elect younger ruling body and chief

BELGRADE (AFP). – Yugoslav Communist officials Saturday night elected a new, more youthful Central Committee, but stuck to the current Old Guard socialist policies rather than vote economic reforms.

The Central Committee counts 165 seats, 127 of which were filled by new officials, most of them under age 40.

The delegates to the 13th congress of the Communist League also elected a new 23-member Presidium, and a new presidium leader, Milanko Renovica, 58, who replaces Vidoje Zarkovic. The league's new secretary is Radisa Gacic, 48. Both are Serbs.



Milanko Renovica, new head of the Presidium of Yugoslavia's Communist League. (Reuter)

Leading dissidents not included

Jeruzelski: Partial amnesty due for political opponents

WARSAW (Reuter). – Polish Communist leader Gen. Wojciech Jaruzelski offered a partial amnesty to political opponents yesterday when he opened his party's first congress since the 1981 Solidarity crisis, but indicated that many leading dissidents would be excluded.

The Amnesty proposal was included in a four-hour speech to the congress, attended by Soviet Party chief Mikhail Gorbachev, which ranged over every aspect of Poland's social, economic and political life.

Jaruzelski gave few details of the clemency measure under preparation but underlined that it would not be extended to political prisoners who had been sentenced again after benefiting from previous amnesties.

The condition would mean that prominent Solidarity activists with earlier convictions such as Wladyslaw Frasyniuk, jailed last year for signing a general strike call, would not be freed.

Political sources said, however, there appeared to be scope for the release of Adam Michnik and Bogdan Lis who were jailed with Frasyniuk and possibly Zbigniew Bujak, and others facing trial on charges including attempting to overthrow the state.

Bujak, Solidarity's underground leader, was captured last month in what the authorities hailed as a pre-congress coup after spending more than four years in hiding.

In Poznan, several thousand demonstrators were blocked by police yesterday when they tried to march after a sermon preached by cardinal Jozef Glemp to commemorate 1956 riots in which dozens of workers protesting against living conditions were shot dead by security forces.

The sermon was careful to avoid provoking the present government.

Eyewitnesses said a number of demonstrators were beaten and detained by club-wielding police who also snatched a banner emblazoned with the emblem of the banned Solidarity free trade union.

The banner was earlier unfurled in front of Glemp outside the Peter and Paul Cathedral where he and 50 other cardinals and bishops celebrated mass in the open air before a congregation of 30,000.

No need to cry, Argentina



Post Sports Staff and agencies

Diego Maradona proved the correctness yesterday of his own thesis that the brilliant Argentinian team did not consist of only one player. Argentina's thrilling 3-2 victory over West Germany was very much a team effort. In fact, the Germans' allocation of first Walter Matthaeus, and then, after Matthaeus, got a yellow card, of Karl-Heinz Foerster, to mark Maradona out of the game resulted in his team-mates being freed to demonstrate their incomparable skills. Maradona provided openings for them despite the German efforts to subdue him. He proved, not only that he is one of the greatest players ever to perform in the World Cup, but that he led one of the finest teams.

West Germany got off to a great start, and for the first 15 minutes managed to put the Argentines out of their stride by fast but clean marking. Lothar Matthaeus stuck closer to Diego Maradona than the Argentine's shadow. But the Germans paid a heavy price for allocating this task to Matthaeus – it meant that he was out of the attack. The game was very clean throughout the first half.

Maradona earned a booking for dissent in the 18th minute after West Germany had won a free-kick on the edge of the penalty area. Eder, on the left, freed Briegel, who steamed for the area, only to be brought down by defender Jose Luis Brown.

Brazilian referee de Romuldo Arppi decided the foul was just outside the box. Allofs touched the kick back to Brehme, who scored in similar circumstances against France in the semifinal, but this time his shot was saved by goalkeeper Pumpido.

In the 22nd minute West German midfielder Lothar Matthaeus was also booked by the referee for a harsh foul on Maradona. This foul was to spell disaster for the German team. Jorge Burruchaga floated in the free-kick from the right flank, deceiving West German goalkeeper Toni Schumacher with the flight. Schumacher missed the ball, Brown soared like an eagle at the far post, planting his header into the empty net.

Argentina maintained their lead for the rest of the half, and gradually became masters of the midfield.

West Germany, wearing an unfamiliar green-and-white stripe were first into the attack, building a neat move on the left flank through Felix Magath, Hans-Peter Briegel and Karl-Heinz Rummenigge.

Maradona was the victim of fouls in quick succession by Klaus Allofs and Norbert Eder but also found time to send Argentina away on a dangerous move when he fastened on to a bad back pass by Allofs.

In the 55th minute Jorge Valdano put Argentina 2-0 up when Maradona's astute pass put him clear down the left and he coolly sidefooted the ball past the advancing Schumacher into the far corner for his fourth World Cup goal.



I LOVE IT. Argentinian defender Jose Brown hugs the ball after heading it into the net for Argentina's first goal.

On the hour Germany added another forward when the gangling Deiter Hoeness replaced Felix Magath. Briegel went into the book after 62 minutes when he fouled Ricardo Enrique and the Germans were struggling to make any impression on the game.

In the 73rd minute the Germans got one back when veteran Karl-Heinz Rummenigge stabbed the ball home from close range in the style for which he is famous, after Briegel had headed on a Brehme corner. This made the score 2-1.

Five minutes later, to the amazement of everyone, the Germans equalized at 2-2, when Voller headed home following a corner conceded unnecessarily by goalkeeper Pompido. But Argentina were not to be denied. In the 84th minute Argentina were back in front as Burruchaga got away on the right, cut into the area and slotted the ball past Schumacher.

Yankees in awful slump

NEW YORK (AP). – Lloyd Moseby homered twice and Jimmy Key pitched a seven-hitter as the Toronto Blue Jays beat New York 7-4 in Saturday's baseball action, marking the first time the Yankees have ever lost nine straight at Yankee Stadium where they have played for 62 years.

Saturday's games: Detroit 8, Milwaukee 5; Toronto 7, New York 4; Boston 7, Baltimore 3; Chicago 4, Oakland 1; Minnesota 7, Kansas City 2; Texas 5, Seattle 2; California 9, Cleveland 3.

NATIONAL LEAGUE

Saturday's games: New York 5, Chicago 2; Montreal 3, Pittsburgh 2; San Francisco 5, Cincinnati 1; Atlanta 5, San Diego 3; Philadelphia 7, St. Louis 4, 10 innings; Houston 6, Los Angeles 4.

Seeds melted in the Wimbledon heat

WIMBLEDON. – Wimbledon is more than just a tennis tournament; it's a British garden party known for beautifully landscaped grounds and persistent rains, for chilly winds and Jimmy Connors thrilling the crowds with his street-fighter brand of tennis.

This year it's different – drastically different.

The sun has been a constant visitor, at least since the second day, bringing with it soaring temperatures and straw hats. Connors disappeared, strutting, along with the spring rains that washed out much of the first-day play last Monday.

And defending champions Boris Becker and Martina Navratilova are being joined for the second week, which starts today, by Australians Pat Cash, John Fitzgerald and Dianne Balestrat, Italy's Raffaella Reggi, and Czechoslovakia's Milos-lav Mecir, among others.

With the temperature soaring to 38 degrees under a blazing sun, Reggi upset fourth seeded Claudia Kohde-Kilsch of West Germany to become the first Italian woman to reach the fourth round since 1965 and only the second since World War II.

When Mecir captured his third-round match on Saturday, fifth-seeded Stefan Edberg of Sweden joined a growing list of seeded players to be sent packing earlier than expected. The fans with tickets for the second week will miss seeing John Krick, Andres Gomez, Guillermo Vilas, Martina Jaite, Kevin Curren, Pam Shriver, Wendy Turnbull, Kathy Rinaldi and, seemingly, half of the population of Sweden.

But the lawn party continues today, after a day of rest, both on and off the courts in this London suburb. And the forecast calls for continued sunny skies and high temperatures.

Becker's nerves survived a fraught first week despite a suggestion from his latest victim that the West German teenager may self-destruct.

Australian Paul McNamee, who seized a set from the champion in the third round match on Saturday, was adamant afterwards that the pressure could yet cause Becker to crumble. "As soon as the match got close, he started freaking out," said McNamee, a former Wimbledon doubles champion. "He's his own worst enemy, putting so much pressure on himself."

"He can't win it in that frame of mind, that's clear. As soon as the sets got close, he was a totally different player. If he doesn't deal with it better than he is at the moment, he won't win it. Someone else is going to exploit that."

Becker, at 17, became the youngest ever and the first unseeded men's champion last year, served 14 aces and 12 double faults, but denied that his nerves were jangling.

"Of course there is a lot of pressure, but it was because I couldn't find my rhythm on service returns. So of course I got a little nervous out there. I couldn't put the ball in the court. When I play like that, I have to try everything I can.

JACK LEON adds:

Israelis Shahar Perkis and Amos Mansdorf came within a whisker of creating a major upset at Wimbledon, when they stretched two-time doubles champions Peter McNamara and Paul McNamee of Australi to 6-4, 6-2, 4-6, 6-7, 6-4 in first-round doubles played over the weekend.

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Commander Ben-Shushan:

Upgrade the fleet or by 1992 there'll be no Israel Navy

Post Defence Reporter

The Israel Navy yesterday revealed its latest acquisition, an anti-submarine helicopter which will boost the service's attack capabilities. At the same time the commander of the Navy warned that if the government did not take some crucial decisions soon about upgrading the fleet, "then there will be no Navy in 1992."

Referring to plans to equip the service with Saar V missile boats and new submarines, OC Navy Aluf (Maj.-Gen.) Avraham Ben-Shushan said that eight to 10 years were needed to plan, develop and produce a major weapons system. The authorities have spent years evaluating and re-evaluating these systems, but they still exist on the drawing board only.

"The time for reflection and consideration of alternative solutions has passed," stressed Ben-Shushan.

Contracts have to be signed with the Americans by the beginning of next year to meet the 1992 target date for equipping the fleet with Saar V missile boats and new Dolphin-class submarines, Ben-Shushan told reporters in advance of Navy Day, being marked today.

The Arab navies are not marking time and are reinforcing their fleets with the latest weapons from the East and West. The principal naval threat facing Israel is the Syrian navy, which has up-to-date Ossa II missile boats, submarines and anti-submarine helicopters. The Soviet-supplied Sepal ground-to-sea cruise missile in the Syrian arsenal has a 300-kilometre range and is almost capable of hitting Tel Aviv, said Ben-Shushan.

Because of financing problems, Israel has been forced to turn to the U.S. to help upgrade its fleet. The whole budget for re-equipping the fleet was "a mere $1.2 billion. The accounting mistakes in the Lavi programme could pay for the Navy's building plans," said Ben-Shushan. The cost would be some $520m. for the missile boats in the U.S. and about $450m. on submarines, more than half of this to be spent in Israel.

Since there are no shekels to finance building the Saar V boats in Haifa, which has the expertise to construct them, the craft will have to be built in the U.S. But since the U.S. Navy opposes building diesel submarines, they will have to be built elsewhere. The Israel Shipyards does not have the expertise to construct a complete submarine in Haifa so they will be built partly in Europe and finished in Haifa, said the commander.

Ben-Shushan noted that the recent visit by a U.S. delegation headed by Assistant Under-Secretary of Defence Dov Zakheim had found that all the Navy's figures for the development and production of new craft had been correct, and had required only a decision on the political level to proceed.

The IDF's new helicopter, the Dolphin, is a development of the French Aerospatiale Dauphin and is manufactured for the U.S. Coast Guard by Aerospatiale Helicopter Corporation in Texas with engines and equipment of U.S. manufacture accounting for about 60 per cent of the total cost of each aircraft.

According to *Jane's All the World's Aircraft*, two Dolphins, procured with U.S. foreign military sales funding, have been delivered to Israel for evaluation to meet a requirement for up to 20 helicopters for the IDF. The Dolphin revealed yesterday was described as an anti-submarine weapon and Ben-Shushan said that it had "widened the navy's horizons."

The U.S. Coast Guard uses the aircraft for short-range recovery (rescue) missions and according to *Jane's it has a range of 760* kilometres at a maximum speed of 200 kph.

The Dauphin from which it was developed has various attack configurations and the French manufacturers fit these craft with air-to-surface missiles and anti-submarine detection devices which are lowered into the water. Other versions can detect threats over long ranges while tracking 10 targets simultaneously. In addition to attacking hostile warships, the helicopter can be utilized for coastal surveillance and ship escort duties, and to provide over-the-horizon target destination for long-range anti-ship missiles launched from ship to shore.

The Israeli Dolphin is carried on Saar IV missile boat and is flown by three IAF crewmen under the orders of the ship's commander.



A crewman waves aboard an Israel Navy missile boat one of the Israel Air Forces new Dolphin anti-submarine helicopters. (Ofer Karni, IDF spokesman)

'The Post' interviews Misha Broz

Tito's son suspects his father knew of Waldheim's war role

By ILONA HENRY
Jerusalem Post Correspondent

BRIONI, Yugoslavia. – On the terrace of the swank Neptune Hotel here, a horde of reporters with drinks in hand keep their collective eye peeled for the next oil minister to appear and utter a meaningless statement.

The pressmen assigned to cover the Opec meeting on this sun-drenched island ignore a slim, goateed man on the terrace who, except for his beard and lack of girth uncannily resembles the late Josip Broz Tito, all-powerful ruler of Yugoslavia for a generation.

The man is, in fact, Misha Broz, Tito's son. And it was the urbane Broz who was in charge of organizing the practical side of the Opec get-together.

"Negotiations for this meeting were on the table for the last three years," Broz told *The Jerusalem Post*. "But the final decision was only taken in April, and we had the island ready within 45 days."

Broz, who is vice-president in charge of foreign trade for the Yugoslav company Ina, has brought along his 12-year-old son to watch the big event. Broz's 18-year-old daughter and dentist wife stayed at home in Zagreb.

Broz's legendary parent kept the most lavish of his many villas here on Brioni, and it was here that Broz grew up.

"I left the island in 1960," he told *The Post*. "I was 19 and had had enough of this beautiful cage. I went to university and studied law.

"I only came to visit my father from time to time." Broz added. "And then we had very interesting discussions. Through me he found out how the simple people think in this country. He wanted such information and made ample use of it."

Asked why he is not a member of the country's Communist Party, now holding its convention in Belgrade, Broz replied, "If you agree with the party there is no need to be in it. If you don't agree, there's no need either."

On a more sober note, he added, "My work means dealing in politics in practice, while a party convention only means talking."

Yugoslavia, he explains, imports 75 per cent of its oil needs, "and thus we have very good business contacts with Libya, Algeria, Indonesia and other countries in this field.

"Our cooperation takes place through exchange of know-how, equipment we produce, and tools we have developed and are interested in selling."

Tito's son suspects that his father knew about Austrian president-elect Kurt Waldheim's wartime activities in Yugoslavia – but the anti-Nazi resistance chief never mentioned the subject to his son.

Broz suggested that for his father, Waldheim was small potatoes. It was much more important to catch and try war criminals such as Andrija Artukovic, sentenced to death by a Zagreb court on June 3, Broz said.

"In Waldheim's case, it's more a question of your moral standards," he concluded.



Tito, in his marshal's uniform, seen in the early 1970s with his wife, Jovanka Broz. (Camera Press)

Hadassah hospice puts stress on quality of life of terminally ill

By MENACHEM SHALEV
For The Jerusalem Post

"Our emphasis will be on the care, not the cure; on the quality of life rather than the quantity," is the guiding principle of the Hadassah hospice for terminal cancer patients, inaugurated last week on Mt. Scopus.

The hospice, intended primarily for Jerusalemites, will house 14 patients, "a modest but important beginning," according to Hadassah spokeswoman Ruth Mekel.

The building of the hospice as an independent nursing unit is a new concept here, effecting current worldwide trends in the cure of the terminally ill patients. Hadassah doctors are to treat patients and to give professional advice.

But the hospice is intended for patients for whom there is no more hope and who do not need the kind of "aggressive" medical treatment usually provided in hospitals. "The terminally ill patient needs to be assured living out those last days in dignity and tranquillity, with those around attentive to needs and preventing unwarranted pain," says Ruth Shahal, director of the hospice and formerly head nurse at Hadassah Ein Kerem's children's ward.

American philanthropists Ina and Jacob Kay, who were among the purchasers of the illegal immigrant Exodus and also provided funds for the Kay House soldiers' convalescence home near Nahariya, donated over $1 million to establish the hospice. It has been built on the site of the home of the late Dr. Haim Yaski, a former director of Hadassah murdered in the ambush of the Hadassah convoy in 1948.

The hospice has been well-furnished and equipped with a kitchen and a living room, to create the warmth of a home rather than the sterility of a hospital.

The staff of nurses and social workers will be assisted by volunteers.

One complaint of the striking hospital nurses is that medical technology has relegated them to the performance of menial and often unrewarding tasks. But at the hospice, says Shahal, "the nurse's calling achieves its full potential, because the well-being of the patient will depend almost completely on the nurse's personality and capabilities."

Golan Druse leaders demand more aid

By DAVID RUDGE
Jerusalem Post Reporter

UPPER NAZARETH – Heads of Druse villages in the Golan Heights met the Interior Ministry's new Northern District representative Amram Calagy here yesterday and demanded more government aid.

It was the first meeting between Druse and Alawite representatives since Calagy took over the senior government post following the resignation of his predecessor Yisrael Koenig.

The Druse leaders maintained that despite their community's continuing opposition to Israel's annexation of the Golan Heights, the villagers should not be considered as "enemies of the state".

There had been no murders of Israeli citizens in the region, nor had there been any stone throwing incidents. Jewish women could walk round the villages without fear, they said.

The village heads who traditionally represent the 14,000 Druse and 2,000 Alawite residents on the Golan Heights, argued that increasing government aid would be one way of helping to improve relations between the villagers and the Israeli authorities.

They complained that the local councils had incurred huge debts and had no funds to improve services or implement development projects. The villages were desperately short of classrooms, and approach roads were unsuitable for the amount of traffic using them.

Calagy said he intended to establish friendly relations with the Golan Heights residents and would soon visit the villages.

By then, he said, he would have examined the matters raised at the meeting and hoped to have answers.

Meanwhile civic leaders of Umm el-Fahm and five neighbouring Arab villages in the Little Triangle are threatening not to open schools next term unless the Education Ministry builds more classrooms.

Umm el-Fahm Mayor Hasham Mahamid said they needed at least 75 more classrooms for the area's elementary and high school pupils.

Youth kills sister to save family honour

DEIR EL-BALAH (Itim). – A 19-year-old Arab youth stabbed his sister to death on Saturday to save the family's honour.

His sister, Ibtisam Ramadan al-Akra, 21, had left home early this month and was later found in the company of several "strange" men. Police say that the brother confessed to the stabbing.

Politics will continue to determine choice of WZO 'shlihim'

Jerusalem Post Reporter

The World Zionist Organization will implement the Landau commission's recommendations for depoliticizing its emissary (*shaliah*) system, "but in such a manner as to neutralize the Landau recommendations," a WZO source told *The Jerusalem Post* over the weekend.

The Landau report is one of the main items on the agenda of the three-day meeting of the Zionist General Council (ZGC) opening at the Ramada Renaissance Hotel in Jerusalem this morning.

The source noted that a schedule decided on by the WZO Executive early this month for implementing the report in effect leaves the emissary system under the control of those now controlling it. Under that schedule, which has to be ratified by the ZGC, emissaries will no longer be responsible to their respective department heads, but to a "supreme emissary commission" comprising the WZO Executive chairman, the WZO treasurer, the heads of the departments with most of the emissaries (Aliya, Youth and Hehalutz, and the two departments for education and culture in the Diaspora), and two "public figures" selected from the ZGC membership.

Another item on the agenda is the demand by Diaspora Zionists that Israel be required to elect its delegates to the World Zionist Congress, just like every other country. At present, the sizes of the delegations of the Israeli Zionist parties are decided on the basis of their relative strengths in the Knesset. Some object to the determination of Israel's Zionist delegations on the basis of national parliamentary elections in which many non-Jews and Jewish anti-Zionists also vote.

WZO executive chairman Arye Dulzin nearly resigned late last week over a proposal by several American Zionist organizations which would have made it possible not to hold elections in the Diaspora. At an executive plenary meeting held towards the end of the Jewish Agency Assembly meeting, the delegations of the Zionist Organization of America, Herut-Hazohar, and the Religious Zionist Organization of America proposed a resolution that in a country where 80 per cent of the delegates agree on the relative percentages of Congress delegates, elections need not be held. Dulzin threatened to resign if this was accepted, but it was rejected by a vote of 10-8.

A third item on the agenda is ratification of last April's decision to set up a movement of organizations whose members come to settle in Israel or which promote aliya. The ZGC has to decide whether to recommend to the next Zionist Congress, scheduled to be held in Jerusalem in November 1987, that the "Tnuat Magshimim," as it is called, should be admitted to the WZO and with what standing.

Not on the agenda, but also likely to be a centre of controversy this week, is a resolution adopted overwhelmingly by the Agency Assembly last week ending Agency financial assistance to educational institutions that do not meet certain "Zionist criteria." Though the delegates of the Orthodox Zionist parties are waging a struggle of their own against "non-Zionist" and "anti-Zionist" institutions, they object to the intervention in this matter of Diaspora "non-Zionists" and of Zionist "secularists."

Prime Minister Peres, Absorption Minister Ya'acov Tsur, and Minister-without-Portfolio Moshe Arens are scheduled to address the ZGC meeting.

$75,000 granted for legal defence centre

Jerusalem Post Reporter

The New Israel Fund has granted $75,000 for the establishment of a legal defence centre, the first such here, to be operated by the Association for Civil Rights in Israel (ACRI).

The centre will be charged with preparing test cases in appropriate areas and bringing them to court; establishing civil rights litigation as a respected legal field; providing civil rights counselling in various localities; and preparing the background for litigation in selected areas for actual cases that may arise.

The grant for the centre was made at the biannual board meeting of the New Israel Fund held recently in Jerusalem. Among other grants made were $100,000 for ACRI for this and next year, and $100,000 for the Neveh Shalom peace school for the same period. Among the groups receiving grants for the first time are Ma'aneh (Coalition Against Racism), a Jewish-Arab puppet theatre in Jerusalem's Old City and an organization promoting sports for women.

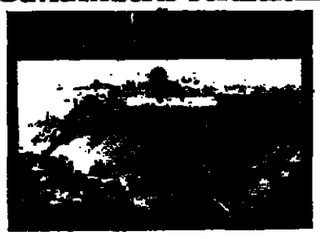
The fund's main areas of support are for civil rights, women's rights, religious pluralism, Arab-Jewish relations and Sephardi-Ashkenazi relations. It supports mainly grassroots and self-help organizations in these areas, and encourages those of its supporters abroad who have appropriate professional skills to do voluntary work with these bodies in Israel.

Fund director Jonathan Jacoby said that during the 1986 fiscal year, the fund would disburse $1 million, more than all grants made in its previous six years. Most of the fund's donors live in New York, San Francisco and Los Angeles, but there are also supporters in other large Jewish communities in the U.S. and Canada.

The fund's Israel director, Gila Brand, said that the grants committee is composed of the fund's Israeli board members and others chosen for their specific expertise. Of the 100 organizations helped, Brand said half have received grants directly from the fund, while the others have benefited from grants earmarked for them by donors. The latter are approved by the grants committee provided the projects do not conflict with the fund's principles.

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Unsolicited testimonial (translated).

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Trump Cards



Michael Ng

Reagan and The Contras Win a Round In the House

By LINDA GREENHOUSE

WASHINGTON

THE Nicaraguan rebels had supporters to spare but few believers in the House of Representatives last week. It was striking, as the House voted 221 to 209 to send the rebels $100 million for their effort to overthrow the Nicaraguan Government, how many of those voting in favor nonetheless expressed deep misgivings about the worthiness of the rebels, also known as contras, and their ability to accomplish their goal.

Had this been some abstract debate on Central American policy, the outcome in the Democratic-controlled House might well have been different. But there was nothing abstract about it. In effect, the issue before the House was whether Ronald Reagan should receive a mandate to conduct foreign policy as he sees fit. The lesson of the pro-Reagan vote was that, when the issue is close, the President — perhaps any President, but certainly this one when he puts his prestige on the line — is likely to prevail.

This lesson was summarized by Representative Mario Biaggi in an interview after the vote. Mr. Biaggi, a Bronx Democrat, had voted against aiding the contras in March, when the House defeated an earlier Administration proposal. But President Reagan telephoned him from Air Force One a few hours before the vote Wednesday night, and Mr. Biaggi became one of 51 Democrats to break ranks and vote with the Administration.

"The contras are scoundrels and the Sandinistas are scoundrels," Mr. Biaggi said. "They're both scoundrels, but when it comes to the national interest, a tie has to favor the President."

The debate now moves to the Republican-controlled Senate, where there is also a notable lack of enthusiasm for the contras and the policy that revolves around them. Two weeks ago, the chairman of the Foreign Relations Committee, Senator Richard G. Lugar of Indiana, gave a speech that was obliquely critical of the Administration's approach, warning that the contras "will become irrelevant" unless they can persuade the American public of their "passion for democracy."

But President Reagan has a track record for winning close ones in the Senate, including the vote earlier this month sustaining his veto and permitting a sale of weapons to Saudi Arabia to go forward. Thus, it is scarcely conceivable that the Senate would block aid to the contras. The Senate approved aid in March, albeit by a close 53-to-47 vote. Now, another Senate approval would give the rebels their first official infusion of American military aid in three years.

If the Administration's hand needed to be strengthened, the Sandinista Government was quick to oblige, wittingly or not. Less than 24 hours after the House vote, the Government shut down the opposition newspaper La Prensa "for an indefinite time." President Daniel Ortega Saavedra said that the House action Wednesday amounted to a "declaration of war by the United States against Nicaragua."

On Friday, the World Court, a United Nations body in the Hague, issued a long-expected ruling that the United States had violated the United Nations charter by aiding the contras and was now obliged to make reparations to the Nicaraguan Government. The Reagan Administration had boycotted most of the proceedings. After the ruling, a State Department spokesman said "the court is simply not equipped to deal with a case of this nature involving complex facts and intelligence information."

The aid package that emerged from the House differed in some key respects from the initial Administration proposal. The Administration had asked for an immediate payment of $70 million for weapons and $30 million in nonmilitary aid.

But a coalition of House Republicans and conservative Democrats reworked the proposal, adding $300 million in economic aid to Costa Rica, Guatemala, El Salvador and Honduras. They also divided the aid into three installments, deferring any delivery of heavy weapons until February and setting up a process to monitor both the probity of the contra leadership and the prospects for peace.

These changes made it easier for some members who had voted no in March to support the package this time. Representative Marilyn Lloyd, a Tennessee Democrat who switched sides, said: "It was a new product. That was what sold it."

A surprise, late-night addition to the package served as a reminder that this was, after all, still the House of Representatives, and that the war in Vietnam was not entirely forgotten. By a vote of 215 to 212, the House adopted an amendment, sponsored by Representative Robert J. Mrazek, a New York Democrat, to bar American personnel from providing any training or other assistance to the contras within 20 miles of the Nicaraguan border. The intent is to prevent American advisers from being drawn into the fighting.

One hundred million dollars is a relatively small sum for a Congress that just approved a Federal budget of nearly $1 trillion. But the expenditure is heavy with symbolism. Representative Thomas S. Foley, the majority whip, who is one of the strongest opponents of contra aid in the House, said that "this was the cross-the-Rubicon vote" signaling an open-ended commitment to American involvement in the Nicaraguan civil war.

Supporters of the aid did not dispute that analysis. The open question as the week ended was when, or whether, the Administration would produce a policy to accompany the $100 million. Representative Les Aspin of Wisconsin, another Democrat who switched sides to support the Administration, was asked in an interview whether the vote meant that the United States now had a policy in Nicaragua. "I have no idea," replied Mr. Aspin, the chairman of the Armed Services Committee.

$100 Million Seems Likely To Buy a Much Bigger War

TEGUCIGALPA, HONDURAS

NICARAGUAN guerrilla leaders have big plans for the $100 million the House approved last week. Once the money is also approved by the Senate, as is generally expected in Washington, the rebels say they intend to spend it on weapons and training.

The guerrillas, whose bases lie near the Nicaraguan border about 140 miles from here, emphasize that the two items they would like to receive as soon as possible are surface-to-air missiles and ammunition.

"We have never had adequate ammunition," said Diogenes Hernandez, a rebel regional commander. "Usually we have fought with only a small bag of bullets."

As for the missiles, Mr. Hernandez and other rebel officials say they are needed to counter the 20 or more Mi-24 and Mi-8 helicopter gun ships the Sandinista army has received from the Soviet Union. The heavily armored helicopters can carry up to 124 rockets, according to military experts here, and are used to strafe rebel units as well as ferry Sandinista patrols into battle.

The guerrillas already have a handful of Soviet SAM-7 missiles, but they say the SAM's are unreliable in humid weather. The United States could provide a shoulder-launched missile called the Stinger, but these weapons could also falter in damp conditions, according to military experts. American officials say there is no doubt, however, that the guerrillas will be given some sort of weapon to use against helicopters.

The rebels also want cargo planes to supply units deep inside Nicaragua, able to land on small strips cut out of the jungle. One military analyst cautioned, however, that it would be a mistake to spend too much money on airplanes. "We don't want to over-equip these guys," he said. "They can do a lot of damage if they are just taught how to fight like guerrillas."

Such training is likely to concentrate on what military men call command and control, according to analysts. The guerrillas need to learn how to deploy and maneuver far-flung units in coordinated attacks, they say. The rebels also must better manage their supply system.

Rebel commanders will probably be trained by the Central Intelligence Agency and by Army Special Forces units, according to knowledgeable officials. The training is likely to take place in the United States and in Central American countries other than Honduras.

While no one claims the rebels will march into Managua next year, military analysts predict that, with careful training, guaranteed supplies and new weapons, the guerrillas can wage a punishing campaign. "This is for real," said one official who monitors the rebels. "This is a real war." —JAMES LeMOYNE

Speculating on a Final Bill

The Senate Follows Through On Taxes

By DAVID E. ROSENBAUM

WASHINGTON

THE Reagan Administration spent six months from November 1984 until May 1985 preparing a proposal it called tax reform. The House of Representatives devoted the rest of last year to producing its plan. And last week, after working on the measure all spring, the Senate, by a vote of 97 to 3, approved its version.

The spadework is now done. In mid-July, a group of senators, representatives, Administration officials and staff assistants will sit down in conference and begin writing the version that will become law. President Reagan and Congressional leaders hope that the work can be completed by Labor Day.

Many politicians, lobbyists and tax experts believed all along that a tax bill of some kind would be enacted. But perhaps only a few anticipated that the new law would amount to more than routine tinkering with the tax code, that it would make the most extensive revisions at least since World War II and perhaps since the income tax was instituted in 1913.

In the end, the top tax rate for individuals will almost certainly be less than half the 70 percent rate in effect when Mr. Reagan took office in 1981. Personal exemptions will be close to double the current $1,080. Many familiar deductions — for contributions to individual retirement accounts, for two-earner families, for business meals and for countless other expenses — will be abolished or limited. A stiff minimum tax will guarantee that profitable companies and wealthy individuals cannot avoid taxation altogether. More than $100 billion in taxes over the next five years will be shifted to businesses from individuals.

Specifics Differ

That much is known because the Senate and House versions of the tax legislation adopt the same principles: that tax rates should be cut, that deductions and other preferences should be restricted and that people and companies with equivalent incomes should pay equivalent taxes. Where they differ is in the specifics. Lobbyists will be out in force to try to shape legislation to their liking, and the conferees will probably haggle incessantly over them. Based on discussions with many of the key players, here is the outlook for how some of the controversies may be resolved.

Rates. Senator Bob Packwood, the Oregon Republican who will head the Senate delegation to the conference, says the 27 percent top rate in the Senate bill is the "glue" that holds the package together. Most House leaders believe the top rate needs to be somewhat higher than that, though not nearly so high as the 38 percent maximum rate in the House bill. The best guess, according to those who have been following the issue carefully, is that the top rate in the final law will be close to 30 percent.

I.R.A.'s. The Senate bill nearly collapsed over this issue but, by a three-vote margin, the senators voted to disallow deductions for contributions to I.R.A.'s by taxpayers with company pension plans. The controversy over that provision tended to overlook the fact that the House bill would also limit I.R.A. deductions, requiring them to be reduced dollar-for-dollar by the amount taxpayers put into tax-deferred savings arrangements called 401(k) plans. Look for a compromise that abolishes the deduction for upper-income taxpayers but allows it for those with more modest means.

Tax Shelters. One of the most striking elements of the Senate plan would virtually eliminate tax shelters by



United Press International

Senator Bob Packwood with reporters after Senate approval of the tax bill.

prohibiting taxpayers in most circumstances from using investment losses to offset other income for tax purposes. The real estate industry is lobbying hard against the idea, but the House conferees are expected to accept it more or less intact. The conference may make the transition period somewhat more favorable than it is in the Senate bill.

Effective dates. Both bills would put the rate reductions into effect six months later than the restrictions on deductions. If, as expected, the restrictions become effective next Jan. 1, the rate cuts would not be applied until July 1. This would save $20 to $25 billion the first year, but it will almost certainly be changed by the conference. Otherwise, early in 1988, when taxpayers fill out their tax returns for the first time under the new system, most will find that their taxes have gone up. To politicians, that would be unacceptable in an election year.

Capital gains. The House would set the top capital gains rate, now 20 percent, at 22 percent. The Senate would tax capital gains the same as other income, a maximum of 27 percent. If the top rate on ordinary income stays below 30 percent, capital gains will probably not get special treatment. Otherwise, a special capital gains rate below 30 percent probably will be approved.

Oil and gas. This is a $2 billion provision in a bill affecting trillions of dollars in tax obligations over five years, but it may cause fireworks in the conference. The Senate measure would retain tax shelters for certain kinds of investments in oil and gas exploration. The Senate conferees will be dominated by those from oil and gas producing states, and this item is critical to their support for the overall legislation. On the other hand, Representative Dan Rostenkowski, the Illinois Democrat who will head the House conferees, is determined, for personal and political reasons, to see that the petroleum industry gets no special tax break. Look for the Senate to win. But look for Mr. Rostenkowski to extract a big concession.

South Africa's Churches Are Bracing Themselves

2

What the Sikhs Want From India

3



Sygma/Patrice Habans

Sikh preparing to bathe in lake at Golden Temple in Amritsar.

The World

East and West Try Speaking In Softer Words

Washington and Moscow exchanged more words last week on arms control and the possibility of a meeting in the United States this year between President Reagan and Mikhail S. Gorbachev, the Soviet leader. The tone of the exchanges was calm and reasonable, with a distinct absence of sabre-rattling.

Mr. Reagan met at the White House for 40 minutes with Moscow's new man in Washington, Ambassador Yuri V. Dubinin, who delivered a letter to the President from Mr. Gorbachev. Administration officials said that the contents of the letter were "positive" and "practical," and that Mr. Gorbachev said he was prepared to "compromise" on arms control proposals involving medium-range nuclear weapons. It also repeated the Soviet position that a summit meeting this year would not make sense unless it involved "concrete achievements" on nuclear arms control. But the officials added that Mr. Gorbachev had not made this a precondition.

Mr. Reagan, in an interview with The Los Angeles Times, did not change the American negotiating position on specific issues. He did however continue the positive tone of his statements the week before in Glassboro, N.J., and White House officials spoke positively about prospects for a meeting this year.

In a separate statment, Mr. Reagan also said that the recent Soviet arms proposals might lead to a "turning point" in the Geneva arms talks. In Geneva, a Soviet Deputy Foreign Minister, Vladimir F. Petrovsky, chided Washington for not responding to the latest Soviet initiatives. He suggested that a way could be found for the two sides to discuss the Strategic Defense Initiative, as the Administration calls the space-based missile system also known as "Star Wars." The latest Soviet arms control proposal still calls for the United States to adhere to the 1972 antiballistic missile treaty for at least 15 more years, in return for significant reduction in offensive nuclear arsenals.

Smoothing It Over With Mexico

For several months, officials in Washington have been emphasizing Mexico's economic problems and accusing Mexicans of corruption and connivance in the drug trade. The relations between the two countries have also been strained by American efforts to curtail the influx of illegal Mexican immigrants and by Mexico's opposition to American policy in Nicaragua and the rest of Central America. Last week, the White House decided that the strain had to be eased, and officials said President Reagan would invite President Miguel de la Madrid to visit him, possibly in August in California, during Mr. Reagan's vacation.

Administration officials said Mr. Reagan wanted to assure Mr. de la Madrid that the charges by American officials were not an expression of Administration policy. Particularly, the officials said, Mr. Reagan wanted to tell Mr. de la Madrid that the Administration did not sanction the harsh views of Senator Jesse Helms, Republican of North Carolina, who has been presiding over the hearings that produced considerable anti-Mexican testimony. Mr. Reagan was also said to want to tell Mr. de la Madrid that the United States would support Mexican efforts to renegotiate interest payments on $97 billion in foreign debt.

Will Craxi Get Another Encore?

Bettino Craxi has been Prime Minister of Italy for nearly three years, an achievement that evidently had become annoying for dozens of members of Parliament who were outwardly loyal to his multiparty coalition. In secret balloting last week on an obscure local finance law, Mr. Craxi's Government was defeated, 293 to 255, with the help of an estimated 70 to 80 defectors. Mr. Craxi resigned and President Francesco Cossiga appointed him to head a caretaker Government until a new team can be assembled or national elections held.

Mr. Craxi's Socialists are only the third largest party but the largest, the Christian Democrats, cannot form a majority coalition without the Socialists. Neither group is ready to accept the Communists, the second largest party, as a coalition partner. Mr. Craxi survived a previous Cabinet crisis in October, when the small Republican Party withdrew in a dispute over the handling of the Achille Laurel hijacking.

Irish Voters Keep Divorce Ban

The Irish electorate voted last week to keep the country's ban on divorce. The decisive vote, by a margin of 3 to 2, left overwhelmingly Roman Catholic Ireland the only nation in Western Europe without legal divorce.

The result was a severe setback to the four-year-old coalition Government of Prime Minister Garret FitzGerald, who, vowed, nevertheless, to lead his party, Fine Gael, in the national elections expected next year. He had hoped that a vote to permit divorce in very limited circumstances would help his image as the head of a progressive Ireland. The retention of the divorce ban was also considered one more impediment to any eventual union of the Republic of Ireland and the British province of Northern Ireland, which is predominantly Protestant.

Protestant leaders in the North were quick to point to the vote as evidence of Roman Catholic intolerance. Catholic bishops had advocated keeping the ban, but had also said that voting for divorce was a matter of conscience, not a sin.

"The people have decided they want to keep their consttutional right to life-long marriage," said Senator Des Hanafin, chairman of the anti-divorce campaign. But Jean Tansey, head of the Divorce Action Group, said, "Ireland has disgraced itself."

James F. Clarity, Richard Levine and Milt Freudenheim

IN BRIEF

Israeli Security Chief Resigns

The Israel Government tried again last week to quash charges that senior officials of the Shin Beth domestic intelligence agency had ordered and then lied about the fatal beatings of two Arab terrorists. In a deal arranged by Prime Minister Shimon Peres and other leaders, Avraham Shalom resigned as head of Shin Beth and was granted immunity from prosecution. Further investigation, Attorney General Yosef Harish then said, "seems pointless."

Many Israeli lawyers, politicians and newspapers denounced the action as a "whitewash" and "cover-up" that would place intelligence officials outside the law. Mr. Peres, the Labor Party leader, indicated he would accept a new committee to examine "the responsibility and decisions of the political echelon." Foreign Minister Yitzhak Shamir, the Likud leader who has been accused of involvement in a cover-up, said he opposed further inquiry.

A Victory for Spanish Socialists

The Socialist Government of Prime Minister Felipe González easily won Spain's national election last Sunday. The Socialists lost 18 seats in the country's main governing body, the Congress of Deputies, but they kept a comfortable majority — 184 out of 350 — against a divided opposition. Of the other parties, the centrist Democratic and Social Center won 17 seats, but the second largest party, the conservative Popular Coalition, lost one. The Communists increased their 4 seats to 7, but Santiago Carillo, the former party leader, lost his seat.

Gross domestic product

(in billions of dollars)*

	1980	1981	1982	1983	1984	1985
Brunei	$4.9	$4.4	$4.3	$3.9	$3.9	$4.0
Indonesia	72	86	90	81	84	79
Malaysia	24	25	27	30	34	31
The Philippines	35	38	39	34	32	33
Singapore	11	14	15	17	19	18
Thailand	33	36	37	40	42	39

Real growth

(in percent)

Brunei	-7.0%	-19.8%	4.0%	0.5%	0.3%	-4.4%
Indonesia	9.9	7.9	2.2	4.2	6.5	1.0**
Malaysia	7.9	6.9	5.6	6.3	7.6	2.7
The Philippines	4.4	3.3	1.9	1.2	-5.2	-4.0**
Singapore	10.3	9.9	6.3	7.9	8.2	-1.8
Thailand	5.8	6.3	4.1	5.8	6.2	4.0

*adjusted for inflation **projection

Sources: International Monetary Fund; Bank of America

Southeast Asia's Economic Downturn

DESPITE the many problems facing the Philippines, Secretary of State George P. Shultz feels "bullish" about the country, and he said so last week in Manila. During discussions of economic strategies and efforts to end the Communist insurgency with President Corazon C. Aquino and her top aides, he also signed an agreement to deliver $200 million in aid.

The Secretary was less sanguine after talks with Prime Minister David Lange of New Zealand. Mr. Shultz was unable to alter Mr. Lange's policy of requiring visiting United States ships to declare if they are carrying nuclear weapons. As a result, he said, Washington will no longer feel bound to assist New Zealand under the 1951 Anzus treaty.

Mr. Shultz also visited Singapore, where President Lee Kuan Yew told him that protectionist trade legislation now under consideration in Congress could encourage Soviet inroads in the region. The Reagan Administration also opposes the measures.

Trade issues were dominant, too, as Mr. Shultz met with with foreign ministers of the Association of Southeast Asian Nations, which in addition to Singapore and the Philippines includes Thailand, Malaysia, Brunei and Indonesia. All these nations are suffering an economic slowdown after years of strong growth, as these charts indicate.

For South Africa's Churches, Taking Sides Means Taking Risks

Congregations Caught Up in a Conflict

By ALAN COWELL

JOHANNESBURG

THE police officer strode down the aisle of the church near Cape Town and, according to a court affidavit by a priest who was present, told the congregation that their prayer meeting was illegal. Then, the priest added, 200 people were detained under South Africa's newest emergency decree. Most of the worshipers were subsequently released, but the churches seemed caught, not only between the state and its perceived foes, but also between their commitment to pacifism and the nation's violence and repression.

The church, said Bishop Desmond M. Tutu, winner of the 1984 Nobel Peace Prize, was the only entity still able to speak out in a society where thousands of activists have been detained. But that, he told a conference of the South African Council of Churches last week, posed its own implicit threat and dilemma. "If we, the church of God, are going to speak out and tell this Government that they are a totalitarian government, we must know the consequences," he said. The penalties for statements deemed subversive range up to 10 years in jail and fines equivalent to $8,000. He seemed to imply that for those opposed in conscience to both the repression and the violence it produced, silence would have its own penalty.

"Our brothers and sisters are sitting in jail," Bishop Tutu added, "and not a single one of them was planning violence." Under censorship dictated by the decree, detainees may not be identified. But before the regulations became generally known, it was announced that some leading clerics, including the Rev. Smangaliso Mkatshwa, secretary general of the Catholic Bishops Conference, had been seized.

Such incidents have long been part of the fabric of a nation so polarized by contradiction that the the authorities are pitted against a bizarre coalition of churches, big business groups, labor unions and political activists. Last week, business groups such as the Chamber of Mines, representing the industry that underpins South Africa's wealth and military strength, remonstrated with the authorities over the seeming crackdown on labor leaders. Consequently, by week's end, a dozen or so of the union officials had been freed.

But many others — at least 3,000, by foreign accounts — were still detained. For the increasingly politicized churches, the problem was familar: how to keep credibility among radical and violence-prone protesters, without venturing into what the authorities would view as subversion. "Is there any possibility that the church could make a meaningful contribution to solving these conflicts and prevent further and major bloodshed?" asked the Rev. Beyers Naude, general secretary of the South African Council of Churches. If Western countries such as the United States insisted that sanctions were not the answer, then, he said, "now is the hour for them to come forward and say if not that, what then?" Under the decree, it is an offense to advocate sanctions or any foreign action against South Africa.

This dispatch from South Africa was written in compliance with press restrictions imposed as part of the emergency decree. The restrictions prohibit reporters from referring without official authorization to the movements and actions of security forces and from reporting statements deemed to be subversive.

The church, embracing millions of South Africans of vastly different politics and colors, he said, faces a divided land in which black and white perceptions are diametrically opposed. Referring to the Government's program for tentative political change, he added: "The tragedy of these reforms lies in the fact that they are seen by the majority of the people, especially the blacks, as too little, too slow and therefore too late, whereas, for many of the whites, they are regarded as too radically revolutionary."

South Africa's churches are far from monolithic. Hundreds of thousands of whites are followers of the Afrikaans-language Dutch Reformed Church, which established a scriptural justification for apartheid. Millions of blacks, moreover, publicly support the conservative Zion Christian Church, which, its critics assert, takes no issue with apartheid. Yet among many internationally prominent church group members condemn apartheid as immoral and translate this belief into political activism. For example, Dr. Naude said last week that, if the country's white rulers could resolve their differences with the outlawed African National Congress, a major source of violence would be removed. Blurring still further the lines between concerns of politics, religion and race, Dr. Allan Boesak, president of the World Alliance of Reformed Churches, addressing a congregation, referred to President P. W. Botha: "Woe to your government, Mr. Botha. Your God is not our God. Your God is racialism."

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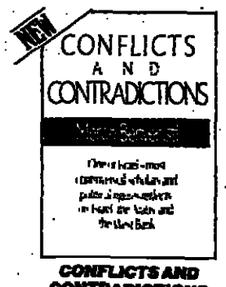
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Sikh Rioting Breaks Out and a Curfew Is Imposed

In Punjab, the Young Are Particularly Restless

By STEVEN R. WEISMAN

NEW DELHI

ACTS of violence by Sikhs in Punjab have tormented India since the beginning of the decade. Lately, though, a new sense of futility is shadowing the efforts of those trying to defuse the country's most serious domestic crisis.

For months, there have been grisly reports like those of a shopkeeper and his family gunned down in their store, or of a cluster of villagers sprayed by bullets at a bus stand. Last week, riots between Hindus and Sikhs broke out anew and a curfew was again imposed in several areas of the northern Indian state.

Almost one year after the Punjab accord between Prime Minister Rajiv Gandhi and the moderate Sikhs, efforts to implement key parts are faltering. Mr. Gandhi is said to be growing impatient and frustrated over the inability of the moderate Sikh state Government in Punjab to curb the killings, and Hindus are forming their own militant groups and threatening armed retaliation against Sikhs. Worst of all, many analysts have now concluded that violence involving Sikhs springs from deep historical, economic, religious, demographic and psychological factors that may not be susceptible to the maneuvering of politicians. In this view, the attempt to resolve disputes over Punjab's boundary lines, economic assistance and river waters may prove irrelevant to the growth of terrorism by young, religious fundamentalists determined to establish an independent nation for Sikhs.

According to the Punjab police director, Julius F. Ribeiro, there are a "hard core" of 300 to 500 young Sikh "terrorists," with another 3,000 to 4,000 "on the periphery." Some officials maintain that the police are slowly making headway in rounding them up or killing them off. But whether this war of attrition can be won is doubtful if, as many say, each new retaliatory police action wins more converts among the Sikh youth. To make matters worse, many experts fear that most young Sikhs in Punjab are no longer willing to heed their gray-bearded elders who caution moderation in what they see as a battle for the survival of the Sikh religion itself.

For centuries, Hindus had looked up to Sikhs as a virtuous and brave people. They respected the Sikh tradition of wearing turbans and beards and carrying swords. Indeed, Indian leaders' gratitude for Sikh heroism in the army led to the creation of a Punjabi speaking state that they could dominate. But the "green revolution" that brought agricultural material prosperity and also resulted in problems for the Sikhs. As they acquired television sets and gained mobility, many turned away from their religious tenets. By the 1980's, the climate was ripe for a counter-revolution, and radical young preachers — many from well-to-do, land-owning families — led a fundamentalist appeal. Their idea of a new Sikh nation to be known as Khalistan was especially attractive to prosperous Sikhs living overseas who feared that Sikhism was in danger of disappearing at home.

As early as 1982, young Sikh radicals started seizing control of Sikh temples in India, Canada, West Germany, Britain and the United States. They used the Golden Temple at Amritsar to stockpile weapons and provide sanctuary for separatist extremists who were shooting Hindus and Sikhs they regarded as traitors.

Despite the violence, many Sikhs admired the young firebrands' motives. Sikh students became radicalized much the way American students did in the 1960's.

Some Sikhs were also resentful that Hindu outsiders were controlling business and industry in Punjab. Sikhs felt they had sacrificed their lives for India and helped make Punjab prosper, but were not receiving due benefits.

And as Sikh-owned farm properties were divided among younger family members, many young Sikhs feared that opportunities were slipping away.

Adherents of Marxism and the revolutionary left have been around Punjab for decades, and they too were attracted to Sikh radicalism. A few disillusioned soldiers and officers from the army and police forces joined up. Finally, criminals practiced in the art of blood feuds, a long-time feature of the region, used the cause as a cover for their activities.

During the time of Prime Minister Indira Gandhi, officials in both the ruling Congress Party and the main Sikh political party, the Akali Dal, flirted with the radicals and tried to woo them to their side.

However, in 1984, when Mrs. Gandhi sent the army into the Golden Temple to rout the young radicals, and hundreds died, Sikhs everywhere became enraged over the loss of life. That sentiment was reinforced after thousands died in the anti-Sikh pogroms following Mrs. Gandhi's assassination in 1984 by two Sikh security guards.

According to Dr. Sudhir Kakar, a prominent psychoanalyst and social critic from Punjab, all the historical, psychological and economic factors are now coming together to make young people increasingly eager to fulfill their destiny as the "sword arm of Hindustan eager to restore their religion to its former glory."

"It's not like terrorism in the Middle East, where it flows from a feeling of despair," said Dr. Kakar.

"The Sikh terrorists have the kind of fervor that you see in an army that is hopeful of victory. The problem is how to convince the generation to which these people belong that extremism is notnot the way to fulfill their aspirations or lessen their fears. That is something the police cannot do."



Gamma-Liaison/Pablo Bartholomew

Sikh demonstrators marking anniversary of 1984 Indian army raid on the Golden Temple in Amritsar earlier this month.



Agence France-Presse

Prime Minister Rajiv Gandhi, right, and Harchand Singh Longowal, a Sikh leader, after signing agreement to stem anti-Government acts.

Discipline, Meditation and a Streak of Militancy



Sygma/Baldev

The Golden Temple of Amritsar.

BY Asian standards, Sikhism is a relatively young sect, founded only 500 years ago by the first of 10 gurus who broke from Hinduism and preached monotheism, religious discipline, meditation and the virtue of martyrdom. The new religion also disavowed caste, idolatry and a formal priesthood. Subsequent leaders and gurus turned the Sikhs into a militarily powerful group that defied the mogul emperors and for a time ruled much of northern India. Today, Sikhs continue to follow the centuries-old practice of wearing long hair, beards and turbans and carrying a dagger to symbolize their militance.

Most of India's 14 million Sikhs live in the northern border state of Punjab, the country's most prosperous agricultural region. Affluence has led some to fall away from strict observance of religious traditions. This in turn has produced a religious revival movement that has led the push for a separate nation for Sikhs in Punjab, to be known as Khalistan.

More Than 200 Guerrillas Were Killed in Prison Uprisings

Extremes Make Life Hard for Peru's Middle



Guerrillas surrendering to Peruvian troops after prison uprisings in Lima last week.

By SHIRLEY CHRISTIAN

LIMA, PERU

SOCIALIST International delegates left Lima last week after a meeting that was supposed to buttress President Alan García's position in the foreign debt debate. Instead, the delegates left behind a President in deep domestic trouble, caught between fanatical Shining Path guerrillas and a tense and defensive military.

On the one hand, the assaults on the prisons, where between 230 and 240 prisoners died, further tarnished the image of a military already burdened with responsibility for many atrocities among the nearly 8,000 deaths in the six-year war between Shining Path and the armed forces. Early in the week, President García said as many as 40 of the dead had been executed after surrendering, but he later raised that figure to 100. He fixed direct blame on the Republican Guard, a police force, but the armed forces had overall command of the prison operation. The guerrillas, for their part, have demonstrated anew their determination to push their war to more extreme limits. An aim of the uprisings, the prisoners said, was to halt Government efforts to move them to new, maximum security cells; there they would be unable to continue their political and military activities.

Shining Path, unlike most Latin American guerrillas, disdains international opinion. For example, there was the attempt to fire a mortar at the hotel where Willy Brandt, the former West German Chancellor, was preparing to open the Socialist meeting. And last week, there was the bombing, presumably by guerrillas, of a tourist train bound for the Inca ruins of Machu Picchu; a Texas woman and six others were killed.

At the meeting of the International, formally the Western Social Democratic and Labor parties organization, many Socialist delegates expressed dismay at the Government's tactics. Some West Europeans, but not Mr. Brandt, favored a public condemnation. Mr. García was supported, however, by Commander Bayardo Arce, a leader of Nicaragua's Sandinista Front and an observer at the meeting. He said that in their guerrilla days the Sandinistas never behaved as Shining Path does.

The Peruvian Government says it knows of no way it can make peace with Shining Path. A peace commission has been trying for a year to open talks, and the Government has made other gestures such as freeing some accused guerrillas. The commission also sent emissaries to the prisons in a vain attempt to obtain the release of hostages being held there. Although claiming roots in the Communist Party, Shining Path rejects Moscow and Havana as well as the Peking of Deng Xiaoping as models. It advocates agrarian revolution based on the largely Indian, peasant population.

Under Peru's Constitution, Shining Path could organize a legal political party if it renounced violence. But Government officials and some analysts contend that the guerrillas' main short-range objective is to goad the military into overthrowing the year-old Government. Shining Path might then be able to widen its popular appeal and gain supporters for its ultimate goal of total revolution. Members of the armed forces have given no sign that they have a coup in mind, but they are said to be angry about their treatment by both the guerrillas and the Government. Shining Path has killed large numbers of police and military men, including an admiral. And the Government has prosecuted members of the security forces accused of excessive use of force. Last week, President García announced that as many as 95 officers and members of the Republican Guard, which was on duty in the prisons, had been detained for possible trial. Military support for the President is expected to turn on how far the investigation and trials are allowed to go.

Not surprisingly, Mr. García has been sharply criticized by several of Peru's legal Marxist-Leninist parties. But he has also engendered dismay from more moderate public figures, who have argued that the force used by the military and guards was disproportionate to the threat posed by the prisoners. Mario Vargas Llosa, the internationally known Peruvian novelist and journalist, warned that the prison deaths would weaken the democratic system and have the effect of "pruning" any potential for conciliation among the guerrillas who, he said, would end up multiplying their violence.

Some critics suggested that the President, in his anger at Shining Path for putting him in an intolerable position before the foreign Socialists, gave too much latitude to the armed forces and prison guards that put down the uprisings. Mr. García has promised that he will allow neither the militarization of the country nor a whitewash of those responsible for the prison killings. Keeping both these promises will severely test his political skill.

The Nation

Once Again, The House Takes Up Immigration

For the third time in five years, the House Judiciary Committee last week approved a broad immigration bill designed to curtail the flow of illegal migrants from Mexico and other countries. But there were sharper-than-usual divisions in the committee, suggesting that getting the full House to go along with the panel's handiwork, never an easy matter even when it is not an election year, may be tougher than usual.

Under the House committee's bill certain foreign workers could become permanent residents of the United States, enjoying most of the rights of citizens. Still more aliens could be admitted if they were needed to work the fields in subsequent years; they, too, could qualify for permanent resident status.

After intense lobbying by Western growers, the Senate, which approved its immigration bill in September, created a program through which farmers could bring in as many as 350,000 aliens a year to harvest perishible fruits and vegetables. Those workers could stay for up to nine months in any one year.

Representative Charles E. Schumer, a Brooklyn Democrat, said it was essential to make alien farm laborers eligible for such benefits as welfare payments because their work was seasonal. And he noted that both houses of Congress had repeatedly supported the view that in any immigration bill "agriculture warrants special consideration." But Representative Romano L. Mazzoli, the Kentucky Democrat who heads the panel's Subcommittee on Immigration, Refugees and International Law, called the bill's favorable treatment of agriculture "unparalleled, unprecedented and unacceptable."



United Press International

Daniel A. Manion

Manion Still In Limbo

Just as it appeared that the Senate had awarded Daniel A. Manion his judicial robes, a deft parliamentary maneuver by his Democrat opponents sidetracked his nomination for a Federal judgeship last week.

Mr. Manion, an Indiana lawyer, has been the focus of a bitter debate for weeks. His critics, including the deans of three dozen law schools, call him grossly unqualified to serve on the Federal appeals court in Chicago. His defenders, chief among them President Reagan and Attorney General Edwin Meese 3d, counter that he is being unfairly attacked because of his conservative beliefs. Once the nomination, which squeaked through the Judiciary Committee, reached the Senate floor last week, Democrats launched what was expected to be a filibuster that could delay final action for weeks. But on Thursday, Bob Dole, the Republican leader, demanded an immediate vote, and Robert C. Byrd, the minority leader, apparently surprised Mr. Dole by agreeing.

With Vice President Bush, the Senate's presiding offier, standing by to break a tie, the Senate proceeded to vote 48 to 46 for confirmation, with four Republicans among those voting "nay." One of those casting an "aye," however, was Mr. Byrd. Under the Senate's rules, he had the right, which he made the most of, to ask that the nomination be reconsidered, thus giving Mr. Manion's opponents another chance. Further action was postponed until the Senate returns from its two-week Independence Day break. Once renewed, the debate may have an even harder edge to it. Following last week's vote there were complaints from Democrats about political deals the White House had cut with doubting Republicans.

Brokerage Firm Faces Charges

For two years, Federal and city prosecutors listened closely to certain advice being dispensed at the Philadelphia office of Shearson Lehman Brothers Inc. Last week they indicted some who gave it and some who took it, charging the lot of them, including the big brokerage house itself, with illegally laundering at least $1.2 million in profits from organized crime.

The indictment, based on tapes and seized records, said Shearson's former Philadelphia office manager, Herbert L. Cantley, set up phony accounts for a local bookie operation and then failed to report cash transactions of more than $10,000, as required by law. Indicted along with Shearson and Mr. Cantley, who was fired by the company last year, after the authorities raided the Philadelphia office, were six Philadelphia men including the son-in-law of former Mayor Frank Rizzo.

The prosecutors said it was the first indictment of a securities firm on charges of failing to report cash transactions. Mr. Cantley had carried out these transactions, they said, "with the knowledge and consent of Shearson managers and executives." Shearson was having none of it. The brokerage firm said the indictment represented "an unfortunate abuse of prosecutorial discretion," and disclaimed any responsibility for the "alleged unauthorized criminal actions of a single employee." Everybody else charged in the case pleaded not guilty.

Edward S. G. Dennis Jr., the United States Attorney for the Eastern District of Pensylvania, said the indictment was a warning to financial institutions that are not complying with cash transaction reporting laws, "whether for negligence or for other reasons."

Michael Wright and Caroline Rand Herron

Alabama Primary Ends Up a Squeaker

MONTGOMERY, Ala.

WHEN voters went to the polls here in last week's Democratic gubernatorial runoff, they were not only choosing a candidate to succeed the retiring George Corley Wallace; they were also helping to chart a new political course for Alabama, or so they might have thought. For years, this has been one of the few remaining New South states with an Old South-style governor.

But the post-Wallace era got off to a shaky start. After a mean-spirited campaign fraught with name-calling, suggestions of marital infidelity and accusations of racial politics, conservative state Attorney General Charles Graddick claimed a wafer-thin victory over Lieut. Gov. Bill Baxley, a populist who had been the longtime favorite to succeed Mr. Wallace.

The election was so close that the results are almost certain to be challenged in a recount. With more than 926,500 votes cast, unofficial returns showed Mr. Graddick with a 6,602 vote lead, the narrowest margin ever recorded in a statewide political contest.

At week's end, Mr. Baxley still had not conceded. Mr. Graddick, citing fears of vote tampering, caused some confusion among local officials when, late on election night, he obtained a court order impounding ballot boxes. Democratic party leaders subsequently hired an accounting firm to help canvass the results before turning them over to state election administrators this week for formal certification.



United Press International; Associated Press

Lieut. Gov. Bill Baxley, top, and Attorney General Charles Graddick.

To the distress of many Democrats here, Mr. Graddick, a former Republican who switched parties only 10 years ago, had urged Republicans to vote for him in Tuesday's runoff. Republicans have their own nominee, Guy Hunt, a farmer and businessman, in the November election.

If Mr. Graddick eventually prevails, the post-Wallace era in Alabama politics will have a distinctly conservative tone. An outspoken foe of abortion and advocate of capital punishment, Mr. Graddick portrayed himself as an independent-minded politician not beholden to any camp.

His constituency last week was not unlike the one that carried Alabama for President Reagan in 1984 — conservative white voters from the small towns and well-heeled suburbs of Alabama's larger cities. Blacks in Alabama, who make up a fourth of the registered Democrats, voted overwhelmingly for Mr. Baxley. After helping re-elect Mr. Wallace to his fourth and final term in 1982, black leaders wasted little time in describing the election of Mr. Graddick as a step backwards.

The contest between the two men, who emerged in front of a field of five Democrats on June 3, seemed more like a general election than a party primary. If Mr. Graddick was the choice of white Republican-leaning conservatives, Mr. Baxley's candidacy was founded on the traditional Democratic coalition of blacks, union leaders and school teachers who have dominated the party leadership and the Legislature in recent years. Mr. Graddick vowed last week to work against those groups, and to bring the party leadership more in line with what he called the mainstream thinking of Alabamians.

But first, Mr. Graddick, who began his campaign last winter as an underdog, will have to survive possible challenges to an election that was decided by fewer than two votes apiece in each of the state's 4,230 precincts.

Do-It-Yourself Chemical Kits Are Raising Fears



Black Star/Shelly Katz

Manufacturing fireworks in Fort Worth, Texas.

OSHA Takes a Closer Look At the Nation's Fireworks Makers

By KENNETH B. NOBLE

WASHINGTON

ONE year ago, after 21 people died in explosions at a fireworks factory in Hallett, Okla., it was disclosed that the Federal agency responsible for safeguarding the health and safety of workers in the plant did not even know of its existence. Officials for the Occupational Safety and Health Administration were all the more embarrassed by the oversight, because the same factory had been wracked by blasts six years earlier.

OSHA subsequently vowed to bear down on the industry — or at the very least, find out where the factories are located. Last week, on the eve of the industry's peak period, the Independence Day holiday, the agency completed an intensive seven-month "special emphasis" program aimed at many of the country's legal fireworks manufacturers.

Of the 24 factories inspected, 17 were found to have 73 different "serious" violations of Federal health and safety regulations. Some 44 other infractions were also uncovered. "It's a small industry, primarily made up of families, and I don't think they appreciated a lot of health and safety concerns," said John Miles, OSHA's director of field operations.

John Conkling, the executive director of the American Pyrotechnics Association, an industry group, added: "OSHA's program was probably necessary to bring all of the factories essentially into the second half of the 20th century in terms of safety technology." He acknowledged that "there probably were some plants operating in a manner that could have produced another Aerlex," referring to the Oklahoma plant that exploded.

Advocates of workplace safety, who for years have complained that the agency's enforcement efforts are too lax, were not impressed with the agency's display of concern. "We're glad that they've inspected these plants, but it's unfortunate that it's taken the death of over 20 people in Oklahoma to do so," said Margaret Seminario, the A.F.L.-C.I.O.'s health and safety director.

Still, OSHA officials insist that the legal fireworks manufacturing industry — there are fewer than 100 licensed factories in the country — has an above-average safety record. "That sounds like a contradiction in terms, but the fireworkers industry has always been a low-hazard industry," said Chriss Winston, an agency spokesman.

Questions About Inspections

Under a policy adopted by the Reagan Administration in 1981, companies are no longer subject to random inspections when their annual record of "lost workday" accidents is below the average for all industries. Thus the agency, which has reduced its inspection teams by roughly a quarter during the Reagan years, now looks over "exempted" operations such as fireworks factories only after a job-related death has has occurred or workers have complained.

Labor and environmental experts complain that large numbers of dangerous workplaces — not just fireworks factories — will never be inspected. "It's simplistic and arbitrary," said Ms. Seminario. Last year, a report by the Congressional Office of Technology Assessment faulted the health and safety agency for inspecting fewer than 4 percent of the nation's workplaces annually, about 160,000 of 4.6 million job sites.

Some experts also say that fireworks makers escape more stringent inspections because the industry is so small and because it falls under the jurisdiction of several Government offices. The Federal Bureau of Alcohol, Tobacco and Firearms generally oversees the storage of explosives. OSHA has jurisdiction over working conditions within the plants, the Department of Transportation regulates shipping and the Consumer Products Safety Commission regulates the sale of fireworks.

Hazardous workplaces, however, are only one of the concerns about fireworks facing Federal authorities. A growing danger, they say, are mail-order chemical kits that allow people to make fireworks at home. "Some of the chemicals are so volative that just a spark from the friction of mixing them in a glass dish could cause an explosion," said John Rogers, a compliance officer with the Consumer Products Safety Commission.

The dangers posed by such kits was dramatically illustrated last week in a Washington suburb, where two people were killed in a garage that was ignited by explosives. Mr. Rogers said that many of the components investigators subsequently found in the garage were similar to those often included in mail-order kits.

Law enforcement officials concede that they are barely making a dent in another area, the unlicensed makers and distributors of fireworks. "Fireworks are a popular and profitable business for bootleggers, and will remain so just because they're outlawed," Mr. Rogers said.

Still, pressures on unlicensed operations are increasing here and there, as four men found out last week in Chattanooga, Tenn. They were convicted of running a seven-state bootleg explosives distribution operation. They were among 20 people indicted after 11 people died in a blast at a clandestine factory.

In another case this month, a Federal grand jury in Springfield, Ill., returned a 12-count indictment against Capitol Fireworks and its owner, charging them with, among other things, selling hazardous fireworks through the mail.

Congress Passes a Budget but Isn't Proud of It

In the Shadow of the Balanced-Budget Law

By JONATHAN FUERBRINGER

WASHINGTON

THERE was little cheering among Capitol Hill's budget-makers last week as the House and Senate approved a compromise spending plan of almost $1 trillion for 1987 before leaving town for a two-week, Independence Day recess.

After months of work, which started with high hopes, the broad budget outline for the fiscal year that begins Oct. 1 was a let-down, most of its drafters agreed. To many, the February dreams of someday conquering the deficit fell to, among other things, Ronald Reagan's rock hard resistance to a tax increase.

That any agreement was reached, however — and that it was not rejected by the President — was regarded as a tentative tribute to the new balanced budget law, known popularly as Gramm-Rudman-Hollings. By and large, the sacrifices called for in this budget plan were regarded as preferable to the mindless, across-the-board reductions threatened by the law.

On Friday, the President's chief spokesman, Larry Speakes said Mr. Reagan found Capitol Hill's handiwork "generally acceptable." This was something better than faint prise from an Administration that had argued until now that the Pentagon cuts contemplated by the House and Senate would amount to a threat to national security.

James C. Miller 3d, the director of the Office of Management and Budget, said Mr. Reagan felt that an attraction of the Congressional spending plan was that the military would suffer even more severely under Gramm-Rudman-Hollings. Mr. Miller also said the President is likely to make use of a $4.8 billion contingency fund in the new budget that would allow him to provide additional money for the Pentagon if he in turn proposes and Congress approves offsetting savings. Several Congressmen who had a hand in assembling the budget compromise said, however, that it was unlikely that the President could win approval for the additional money without proposing tax increases — a step Mr. Miller said the President would not take.

But if Gramm-Rudman-Hollings appeared to have had some impact, the United States Supreme Court could be on the verge of striking down the heart of the law, its much-feared automatic spending-cut mechanism. This device requires automatic reductions, half of them in the military, when the annual deficit ceiling is exceeded by $10 billion or more. Most Federal programs would be reduced by the same percentage; the size of the cuts would be based on specifications set by the Congressional Budget Office, the Office of Management and Budget and the Comptroller General of the United States.

A three-judge panel in Washington has already declared this procedure unconstitutional and many congressional leaders expect the Supreme Court to do the same. If the Court strikes down the automatic reductions provision, there is a kind of fallback cost-cutting mechanism that would have the House and Senate vote on the very same cuts that would have been made automatically. Under the fallback, the President would also have to sign any cost-cutting order that cleared Congress. But many members of Congress worry that the cuts would not be approved, especially if the President opposed reducing his much-favored military programs.

Unresolved Differences

Depending on how the Court rules, there could be an attempt to amend the law to make the automatic mechanism constitutional. Such an effort would be expected when the legislation needed to lift the Government's debt ceiling comes up in the House and the Senate, probably just before the August recess.

Adding further to the gloom is the fact that the just approved budget does not begin to resolve the major differences between Capitol Hill and the White House over the proper priorities to assign military and domestic programs. The new spending plan does not assure that Congress will sidestep the automatic cuts required by the balanced budget law, assuming that part of Gramm-Hollings-Rudman survives. The law sets a maximum deficit ceiling of $144 billion for 1987; the projected deficit included in the budget for 1987 totals $142.6 billion, and the leaders of the House and Senate budget committees acknowledged last week that current deficit projections are worsening and billions of dollars of assumed savings included in the budget may not be realistic.

By and large, the best that was said about the spending plan, which reduces the President's military budget by $28 billion but avoids new taxes, was that it was better than nothing. Representative William H. Gray 3rd, Democrat of Pennsylvania and the chairman of the House Budget Committee, did call the plan "a credible approach," considering the President's opposition to new revenues and the need to at least try to reach the deficit ceiling fixed by the balanced budget law.

"I'm not here tonight extremely proud of this product," said Senator Pete V. Domenici, Republican of New Mexico and chairman of the Senate Budget Committee. But, he added, it is "better to produce this budget resolution than not to have one."

See-No-Evil Doomed Challenger

By DAVID E. SANGER

MORE than two years before the space shuttle was first launched, a team of National Aeronautics and Space Administration engineers took one of its key contractors to task over shoddy workmanship on the critical safety seals that join segments of the shuttle's huge solid-fuel booster rockets. The booster's manufacturer, the Thiokol Corporation (now Morton Thiokol Inc.) insisted the design was adequate, but Government engineers were succinct in their disapproval: "We find the Thiokol position regarding design adequacy of the clevis joint to be completely unacceptable," they wrote in a harshly worded memorandum on Jan. 19, 1979.

Seven years and nine days later, when Challenger disintegrated over the Florida coast, that design, and the dangers it posed, remained totally unchanged. The reason, investigators say: NASA and its contractor grew so committed to preserving an over-ambitious flight schedule and an aura of success that they stopped arguing.

"The whole adversary nature of NASA questioning the work of one of its suppliers just disappeared," said Air Force general Donald J. Kutyna, a key member of the Presidential commission that earlier this month recommended broad changes in the nation's space agency. "No one wanted to be the one who raised a show-stopping problem. No one had the guts to stand up and say, 'This thing is falling apart.' "

In fact, the strange twists and turns in the relationship between NASA and Morton Thiokol have made the space shuttle disaster a case study in how the Government and one of its critical suppliers can become captive to each other, paving the way for tragedy.

Both NASA and Morton Thiokol, each for its own reasons, became afraid to raise questions that could grind the shuttle program to an immediate halt. Exacerbating the problem was Thiokol's status as NASA's sole supplier of booster rockets: Had two companies been building rockets, some experts contend, the problems with the O-ring seals might have surfaced much earlier, as a competitor sought to steal away Thiokol's business by pointing out failings in Thiokol's design.

But since 1973, when Thiokol won out over three other bidders for the booster contract, NASA has had no place else to turn. And the commission concluded that Thiokol, dependent on remaining in NASA's good graces, overrode its own engineers' growing safety concerns "in order to accommodate a major customer." The result was what one commission member called "a kind of Russian roulette" with every launching — and a set of lessons, many believe, about the Government's ability to work with industry on large technological projects.

From the Pentagon to Capitol Hill, the Challenger inquiry, one of the most intensive accident investigations by the Government to date, is striking familiar and worrisome chords. Some compare it to last year's debacle over the Sgt. York antiaircraft gun, where the Army, pushing a pet project, reportedly aided Ford Aerospace in hiding test results that showed the weapon did not work. Ultimately, the weapons project was killed. Similar disputes are currently brewing over the Army's Bradley tank and the Air Force and Navy's troubled new medium-range air-to-air missiles. All raise the same basic issue: How can enormously complex high-technology equipment be tested and monitored independently, free of pressures from the manufacturer or the political sponsors?

But the more immediate question, particularly potent because seven astronauts died in the Challenger tragedy, is simply: Who — or what — is to blame?

The Presidential commission and its chairman, William P. Rogers, studiously avoided naming names, primarily faulting NASA's flawed decision-making systems. And Thiokol's top executives declined to be interviewed for this article.

But Rep. James H. Scheuer, a New York Democrat who sits on a Congressional committee that oversees the space program, is less constrained. "What Thiokol's management did, before the launching and then to the engineers who told the world about it, was utterly repugnant, just disgraceful," said Mr. Scheuer, who tangled publicly with Charles Locke, Morton Thiokol's chairman, at a Congressional hearing earlier this month. "There is a lot of blame to go around," he said, "but Thiokol deserves a fat share of it."

For Morton Thiokol, whose salt canisters remind consumers that "when it rains it pours," assessing liability, both to NASA and the astronauts' families, has become a critical issue, one that could cost the company tens of millions of dollars.

Moreover, Thiokol's actions after the accident — particularly its short-lived effort to strip responsibility from engineers who testified that they had warned of impending disaster — fueled a movement in Congress to strip Thiokol of its treasured role as sole supplier of solid rockets for the shuttle. More than 200 Congressmen and Senators signed a petition recently to find a second source.

The Senate is considering a bill to extend "whistleblower" protection to employees of contractors who aid Federal investigations. And Thiokol's normally tough-talking chairman, Charles S. Locke, apologized to Congress two weeks ago for telling The Wall Street Journal that dissident Thiokol engineers were going to have to return to "productive work" and "not wander around the country gossiping," presumably with Federal investigators.

> Morton Thiokol was the only supplier of booster rockets and NASA was a major customer. Neither wanted to raise any questions.

When NASA drafted final plans for a space shuttle in the early 1970's, it marked a turning point in the design of manned space vehicles.

There was no shortage of bidders. In addition to Thiokol, which made its name in the 1930's as one of the first manufacturers of synthetic rubber, three other contenders vied for the $1.8 billion project: Aerojet Solid Propulsion, Lockheed, and United Technologies. Thiokol ranked second, tied with United Technologies, on technical merits, scored highly on management skills, and won hands down on price — a critical issue for NASA, which had reluctantly turned to solid fuel technology in the first place as an economy move.

Thiokol won the award on Nov. 20, 1973, and Mr. Ritchey still remembers the day. "Everyone ran up and down the halls waving his arms and shouting," he recalled. NASA was apparently pleased as well; it singled Thiokol out for praise on many fronts, including what a selection committee called an "innovative" design for the joints that join the huge rocket sections together. (The rocket was so large that if it were cast as a single piece, it could not be transported from Thiokol's Brigham City, Utah works to the Kennedy Space Center in Florida.)

Lockheed protested, noting that Thiokol had been rated last on "design, development and verification," and claiming that NASA's evaluation was "marred by plain mistakes, arbitrary judgments and improper procedures." But NASA was upheld by the General Accounting Office.

It was clear from the beginning, contractors say, that NASA was not interested in getting a second supplier for the rockets — even though "second sourcing," as the practice is called, was increasingly commonplace at the Pentagon and among other Government agencies seeking to assure that their suppliers offered them the most competitive price.

"It just didn't make economic sense," recalled Philip E. Culbertson NASA's general manager. "This is an agency that never bought enough of anything to make it worthwhile to have more than one source. The production rates, especially in the early days of the shuttle program, just would not have supported it."

Thiokol's troubles began with the first major qualification test, a simulated motor firing in 1977. After a series of design changes in the joint and its synthethic rubber O-ring seals, the force of firing bent segments of the rocket away from each other. That opened up the joint, a potentially deadly scenario: A solid rocket is like a giant firecracker, unable to be turned off once lit, and a leak of superheated gases could trigger a calamity in mid-flight.

The test results prompted a sharp reaction from NASA's Marshall Space Flight Center in Huntsville, Alabama, which was responsible for the booster program. For the next three years, Marshall officials — their concern escalating — wrote memo after memo, some warning that should hot gases escape through the seal the result could be a "catastrophic failure." While the records uncovered by the Rogers commission are scanty, it appears the memos evoked little response from Thiokol, which concluded that "the condition is not desirable but is acceptable."

But as the date of the first shuttle launch approached, NASA gradually grew less vocal about its worries. Even after reviewing 122,000 pages of documents and taking 12,000 pages of testimony, members of the Presidential commission say they do not fully understand why.

"You've got to think it had everything to do with the shuttle going 'operational,' " said one investigator, using NASA's term for the craft's becoming a regularly scheduled spacetruck to the sky. In subtle ways, he continued, NASA's top management "conveyed the thought that it didn't want to hear about delays" that would further annoy Congress, which was already questioning why NASA was falling behind its plan.

The Economy

WEEK IN BUSINESS

Signs of Trouble At People Express

All or part of People Express might be sold, officials of the airline said, as the carrier that started the era of low-fare air travel tries to bolster its finances. Begun in 1981, People has become the fifth-largest airline, but the expansion has been costly and the low-fare strategy has been meeting stiff competition. Company officials said any divestitures would be a last resort, and the betting was that the entire carrier would not be sold. Analysts thought it likely, though, that the newly acquired Frontier unit or some planes or airport gates might be shed. Stocks of other airlines rose sharply as investors concluded that People's problems could lead to higher fares.



The New York Times/Joyce Dopkeen

Donald C. Burr

ITT may drop telecommunications. The company that began as International Telephone and Telegraph is talking about selling its foundation business to C.G.E., a French state-owned concern. The price is said to be $2 billion, plus the assumption of a "mountain of debt." The move would make ITT primarily a services company, with interests in hotels and insurance. The international telecommunications market has apparently become too costly and competitive for the 66-year-old company that began branching into a variety of other areas under the legendary conglomerate maker Harold Geneen.

Farm imports exceeded exports in May for the first time since 1959. The overall trade deficit also widened last month, to $14.2 billion, from April's $12.1 billion. Agriculture and the other sectors shared the same problem — a scarcity of customers in a global economy that continues to be sluggish. The poor markets abroad are frustrating the long-held hopes that the weaker dollar would turn around America's trade fortunes.

Associated Dry Goods, whose holdings include Lord & Taylor, got an offer of $2.7 billion from May Department Stores, and when Associated management balked at giving a reply, May went directly to shareholders. The acquisition would put May, currently ranked No. 3 among department store chains, in a dead heat with top-ranked Federated Department Stores. The offer adds to the turmoil in retailing, which has recently seen the Gimbels and Ohrbach's stores go on the block.

A powerful Fed staffer, Stephen H. Axilrod, is leaving. Mr. Axilrod, who amassed considerable influence in his 34 years with the central bank, will join the American office of Nikko Securities of Japan. There was speculation that with the status quo changing, the departure might eventually diminish Paul Volcker's control, but it was not regarded as a sign of a major shift in Fed policy. The move, was, however, widely seen as a sign of the growing role of Japanese firms in American credit markets.

The American Enterprise Institute was the scene of another departure. William J. Baroody Jr. resigned as chairman of the financially pressed conservative think tank and will be replaced temporarily by Paul McCracken, the economist.

A set of sweeping tax changes was passed by the Senate in a 97-to-3 vote. In exchange for a sharp cut in rates, the measure imposes restrictions on deductions and shelters. The goal is for taxpayers of roughly equal incomes to pay roughly equal amounts of tax. A conference committee from both houses will hammer out the final version, amid intense lobbying.

Shearson Lehman and a former Philadelphia employee were indicted on charges of laundering cash for a gambling syndicate. The indictment was the first against a securities firm under a Federal law governing transactions of more than $10,000. Shearson and the employees denied the charges.

Stocks flirted with record highs on several trading days, as the Dow Jones industrial average ventured above its early June peak of 1,885.90, but never managed to close above that mark. For the week, the Dow tacked on 5.72, to close at 1,885.26.

The bond market had sporadic rallies, as data showing economic weakness at home and abroad encouraged hopes that interest rates might be lowered. The $1.6 billion rise in the money supply was a bit higher than expected but had little effect.

The sale of Seven-Up was cancelled. Philip Morris withdrew its offer to sell its soft-drink unit to Pepsi, after the Federal Trade Commission raised objections to the deal. The regulators also raised their eyebrows over Coca-Cola's plan to buy Dr Pepper, but both those companies said they would challenge the F.T.C.'s attempts to block their merger. The agency's moves were seen as defining the limits of the Administration's generally lenient antitrust stance.

The Japanese G.N.P. registered a quarterly decline for the first time in 11 years. The drop of 0.5 percent was attributed to a slump in exports caused by the strong yen. Tokyo said it was optimistic on the outlook overall, but Japan's private economists spoke in terms bordering on alarm.

INVESTING / John C. Boland

Armed for Anything, Marietta Prospers

> Pentagon cuts may hurt some parts of the company, but other units can pick up the slack, analysts say.

MILITARY stocks may have lost much of their luster, now that Congress plans to cut Pentagon spending. But the Martin Marietta Corporation, a major arms contractor with $4.4 billion in total sales last year, remains high on the "buy" lists of many analysts.

For one thing, the company's backlog stood at a record at the end of 1985: just under $9 billion, more than twice its sales. For another, the company's mix of weapons and research programs, these watchers say, is so broad as to protect earnings growth, regardless of Congressional battles.

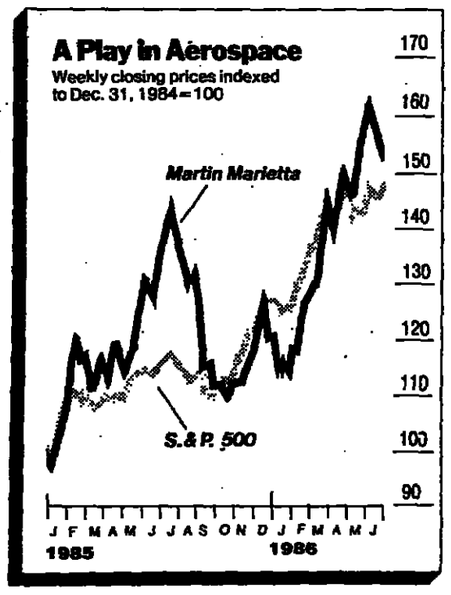
"They're not invulnerable," said Robert D. Kugel, an analyst for Morgan Stanley & Company. "But no matter how the budget ax falls, it's not going to fall so there's a disproportionate impact on them." Marietta's work includes roles in the MX missile, various satellite launchers, a proposed small ICBM, strategic defense studies, the Pershing II intermediate missile, "smart" weapons, and high-technology targeting systems.

"It's going to be a high-tech world, and this is where Martin is," said Thomas T. Taylor, at Offutt & Taylor Inc., an institutional research firm in Towson, Md. Mr. Taylor described the company, which is based in Bethesda, Md., as "state of the art" in areas where military spending is likely to remain on an upswing. In June, for example, Martin Marietta won an $83 million Air Force contract for a night-flight targeting system, which complements an existing night-navigation system.

These infrared visual systems, which bear the acronym LANTIRN (for Low Altitude Navigation and Targeting Infrared System for Night), improve the combat capability of tactical aircraft by allowing low-level night operations — such as were used in the air raids in Libya — and in bad weather. According to Marietta, the Air Force plans to install 700 LANTIRN systems on high-performance aircraft. A similar system, dubbed TADS/PNVS, expands the tank-killing capacity of helicopters.

"A lot of their electronic programs have high value-added content," said Howard Rubel, an analyst with Cyrus J. Lawrence Inc. "If you don't add these, you can't fly under some night conditions." The price tag on the LANTIRN systems is $4.1 billion, and most analysts expect Martin Marietta to get the full targeting system contract.

All of Martin Marietta's eggs are not in the Pentagon's basket, however. Information systems, a segment for which Marietta is not widely recognized, enjoyed a 40 percent gain in revenues in 1985, taking it to about the size of the company's aerospace division six years ago. The company is competing for a major contract — perhaps $2 billion, according to Wolfgang Demisch, an analyst with the First Boston Corporation — to create and manage a nationwide Federal communications network.



"The successful bidder," said Marietta's president, Norman R. Augustine, at the annual meeting in April, "will overnight become the operator of the largest private network in the free world."

Mr. Rubel, of Cyrus Lawrence, agreed: "That would be an exciting program, if they landed it."

But, getting back to Marietta's bread and butter, Mr. Rubel noted that the company stands to gain — as well as lose — from changes in the MX missile, for example, and in the course of the National Aeronautics and Space Administration.

While the MX's size and configuration are debated, possible disappointment on that program's contribution to Martin Marietta growth might be offset by rising interest in a smaller ICBM. "They have their feet on both sides of the line," Mr. Rubel said.

That is true, as well, for the company's contracts with NASA. With the space shuttle's future under a cloud, the outlook for conventional launching vehicles has brightened. "They build the shuttle tank, but they also build the Titan 3 missile," Mr. Rubel said. "That will be the Air Force's primary launch vehicle now that the shuttle is grounded for the next year or so. That will go from being nearly moribund 10 years ago to being one of the top programs of the company." Altogether, Mr. Rubell expects bookings for 23 Titan 3's to total $4 billion — with orders this year in the supplemental budget alone adding 20 percent to the company's backlog. "Pretty neat," Mr. Rubel said.

Not all of Martin's military business shows up in the glossy annual report: Spy satellites and some other work are hush-hush. Mr. Rubel said: "You add up the pieces and say 'Hey, guys, what about the other 30 percent of the business?' And they say, 'What other business?' So you know you've stumbled on something."

In the last few years, Martin Marietta has cleaned up its balance sheet, cutting long-term debt to $220 million at the end of 1985. Three years earlier, after the company leveraged itself to avoid a hostile takeover by the Bendix Corporation, debt stood at $1.15 billion. The restructuring largely rid the company of its commodity exposure in aluminum, chemical and cement units, lifting return on equity to 24 percent last year.

Among the analysts, Mr. Demisch, Mr. Taylor and Mr. Rubel would buy at the current price, around $45. Mr. Kugel would buy on any 10 percent dip. Earnings estimates fall in a range of $3.50-$3.90 a share this year and $3.95-$4.50 next year.

Some analysts note that despite the Marietta management's enviable record over the last few years, the company will have to be careful not to bite off more than it can chew militarily. Many arms contractors have come a cropper by aggressively bidding for Pentagon work — only to let costs on fixed contracts spiral out of control. ■

John C. Boland writes on finance from Baltimore.

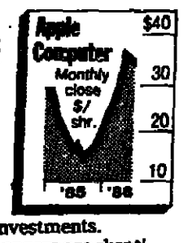
Apple Snaps Back

What a difference a year makes. Last June, Apple Computer Inc. was in the doghouse. Sales of all models were slow, and a management dispute between chairman John Sculley and co-founder Steven P. Jobs over the company's future led to Mr. Jobs's departure. In the first six months of 1985, Apple's shares fell to $14.25, from around $30.

Then Apple acted. It closed plants and rationalized its management structure along functional, rather than product, lines. Realizing that its Macintosh personal computer had to succeed in the business world, Apple began adapting the machine to make it more acceptable to corporate purchasers.

The changes seem to be working. Net income in the second fiscal quarter ending in March rose threefold, to a record $31.8 million, or 50 cents a share, despite a 6 percent drop in sales. Apple's stock is now up around $36.

That kind of action attracts a following: Apple was the 18th most heavily purchased stock by institutions in the first quarter of this year. That includes a big 2.4 million share purchase by the Atalanta/Sosnoff Capital Corporation. Asked about the reason for taking such a big stake — 3.8 percent of Apple's shares — a spokesman for the New York investment manager said the firm has a policy of not commenting about its investments.



A few professional money managers are skeptical of further gains. The Reams Asset Management Company of Columbus, Ind., sold 340,000 shares acquired while Apple was hitting the bottom. "We're value players," said Gale Hardwick, a vice president and portfolio manager, "so we took advantage of the fact that the stock had had a nice move. And long term, we think they may have a tough row to hoe. It's still an I.B.M. world."

James C. Condon

The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED JUNE 27, 1986
(Consolidated)

Company	Sales	Last	Net Chng
AT&T	12,016,500	25¼	+ ⅛
Cmw E	11,775,300	31⅞	...
Asd D G	11,403,000	65¼	+19¾
ITT Cp	9,208,200	53¾	+ 8¾
Dart Kr	8,935,400	64	- ⅝
Sandr	7,449,400	50½	+19
Penn E C	6,499,800	48½	+ 8½
S Cal Ed	6,243,300	31½	+ ⅝
Fruehf	5,946,800	49¼	+ 2⅜
Phila El	5,846,600	20⅝	+ ⅞
Safewy	5,640,300	53½	+ 5¼
Phil Mr	5,627,800	74¾	+ 4⅞
Pepsi C	5,268,900	33¾	+ ½
Schlmb	5,256,600	34	+ 1⅝
Sears	5,104,700	48½	+ 1⅛

MARKET DIARY

	Last Week	Prev. Week
Advances	1,263	817
Declines	725	1,187
Total Issues	2,190	2,184
New Highs	277	221
New Lows	57	75

VOLUME (4 P.M. New York Close)

	Last Week	Year To Date
Total Sales	984,069,240	17,427,523,781
Same Per. 1985	518,342,082	13,472,445,766

WEEK'S MARKET AVERAGES

	High	Low	Last	Net Change
New York Stock Exchange				
Indust	165.6	162.5	165.3	+1.33
Transp	120.4	118.4	119.1	-0.79
Utils	73.1	71.2	73.1	+1.42
Finance	154.9	150.6	154.4	+3.08
Composite	143.2	140.4	143.1	+1.53
Standard & Poor's				
400 Indust	279.3	273.3	278.6	+1.84
20 Transp	203.3	198.1	201.3	-1.53
40 Utils	110.9	107.8	110.8	+1.55
40 Financial	29.6	28.4	29.5	+0.61
500 Stocks	250.1	244.4	249.6	+2.02
Dow Jones				
30 Indust	1903.3	1853.3	1885.2	+5.72
20 Transp	794.0	761.6	777.5	- 0.63
15 Utils	199.9	187.6	196.7	+8.29
65 Comb	728.7	706.1	723.2	+5.87

The American Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED JUNE 27, 1986
(Consolidated)

Company	Sales	Last	Net Chng
Wickes	2,767,300	5⅝	...
Delmed	2,526,100	1⅜	+ ⅛
Wang B	2,186,000	15⅛	- ⅛
HornHard	1,886,500	14	+ 1¼
AM Intl	1,764,200	7¼	- ¾
ICH	1,717,200	31	+ 3¼
BAT Ind	1,695,000	6¼	+ ⅛
TexAir	1,692,700	33⅜	- ½
LorimarTel	1,294,700	31⅛	+ 1⅛
Hasbro	1,262,600	58	- 1⅜

MARKET DIARY

	Last Week	Prev. Week
Advances	384	326
Declined	384	463
Unchanged	160	143
Total Issues	928	932
New Highs	97	86
New Lows	40	36

VOLUME (4 P.M. New York Close)

	Last Week	Year To Date
Total Sales	63,161,660	1,631,410,999
Same Per. 1985	36,042,010	1,039,868,610

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The Corny, Carny Spirit of '86

New York's word of the week might easily have been *Ugh*, as in "Ugh, I can't stand all the hype and commercialism about the Statue of Liberty," or "Ugh, let's get out of town and leave the hoopla to the tourists." Nor are such sentiments limited to New York. "Get ready," The New Republic advises, "for the most revolting display of glitz in this country's history."

Not so fast there, puritans. Think back a bit, New Republic.

There will, for sure, be glitz. What else does one call a contest for women who look like Miss Liberty and an entertainment that includes 200 men who look like Elvis Presley? How else does one describe thousands of foam crowns, hundreds of Liberty shower curtains and dozens of Statue of Liberty pasta earrings? This week brings the very apotheosis of glitz: medals, coins, choirs, spotlights, doves, balloons, square-riggers, cannons, celebrities. No wonder people contemplate spending $35,000 for four days' rent on an apt, Lib Vu.

Glitz yes, but is it the most revolting in history? Recall, please, the Bicentennial, just 10 years ago. The glitz then spangled the whole country, not just New York. And it turned out not to be revolting at all. Think back to the Spirit of '76 that suffused New York when July 4 finally rolled around. Commercialized push turned not to shove but to warmth; New York turned into the Little Apple, a haven of small-town hospitality.

All the ughs about Statue commercialism are understandable; hype is all there's been to talk about so far. But now the events themselves are at hand; there will be plenty to talk about. As the millions of visitors arrive, there's good reason to believe that, as in 1976, the cynicism will pass quickly — for there are two things to celebrate.

One is the very carnival atmosphere that has so far seemed so repellent. Yet a corny, carny clamor is every bit as American as signs that point the way to the egress. The Statue's 100th birthday is a time for marches, not madrigals. New York knows that, and the Mayor and his people have labored for months on logistics, from toilets to terrorism, from checking the pilings under the piers to setting up a campground at Flushing Meadow.

Second, this circus celebrates something noble. The Bicentennial marked the nation's birthday. This event marks the birthday of an idea that transcends nations. There's no mystery in why people are buying Statue torches or are coming to New York for the weekend. They come to honor, even to worship the idea that no matter how brutal, primitive or distant your origins, here, in the light of her lamp, you can make it, more or less on your own wit and work, more or less on the merits.

This will be a week in which New Yorkers, their habits honed into efficiency, will be tested by visitors who don't know, before blocking the bus, that they need exact change. This will be a week in which visitors used to good citizenship will be astonished by signs that say, "Don't Even *Think* of Parking Here." But it will also be a week when natives and visitors join hands, and Americans and foreigners join hearts, to celebrate the spirit of '86, the Spirit of '76 and the future of Liberty around the globe.

No Way to Pay for Tax Enforcement

Louis XIV was foolish to permit it, and so is the Senate Finance Committee: Using money extracted from delinquent taxpayers to pay for tax collection risks igniting public resentment.

France's extravagant Sun King sold the rights to collect taxes to "tax farmers" — financiers who enriched themselves on what they collected. Came the revolution and this odious system was abolished; indeed, many "farmers" were executed. American taxpayers' resentment of over-zealous revenue agents hasn't reached that point, but there's no reason to test its limits.

The Senate bill would create a Tax Administration Trust Fund, earmarked to increase Internal Revenue's budget. The fund would be fed by penalty and interest collections on back taxes. The harder the T-men bear down on delinquents, the fatter the trust fund. There would be a cap on how much could be spent from the fund each year, and agents, unlike the tax farmers, would have no personal stake in wringing out every last sou. But with the Federal budget already verging on fiction, this is no time to be reserving funds for special purposes.

The Finance Committee started out well. It saw how senselessly the Administration and Congress have been starving the I.R.S. Every dollar cut from its budget loses 5, 10 or even 20 uncollected dollars. It's no surprise that almost $100 billion of taxes escape collection every year.

Internal Revenue does have a special problem. Its business is digging into people's pockets, something no sane politician will stick his neck out for. The Finance Committee's members aren't insane; to offset the tax reform bill's sharp reduction in rates, they sought more revenue wherever they could find it.

One obvious, painless source is tax evaders. Ten years ago, Internal Revenue was auditing 5 percent of the returns filed; today's figure is under 2 percent. Computers now pinpoint taxpayers for whom audits are promising. But the income that still escapes taxation has nonetheless mushroomed. The Finance Committee's alarm is fully justified. But what's needed is a straightforward increase in appropriations, not another backdoor trust fund.

In theory, no honest taxpayer objects to cracking down on cheaters. In practice, the honest taxpayer who would be audited if Internal Revenue had more funds may cry "Harassment!" Auditing, properly done, is *not* harassment. Inconvenient, discomforting — yes. It's a price we all pay to preserve the integrity of the system.

The Senate's awakening to the value of better enforcement is laudable and overdue. But thus tying the enforcement effort to revenue violates orderly budgeting. And even with a limit on what the I.R.S. may spend, to earmark funds extracted from delinquents conveys a distasteful hint of rewarding gouging. Revenue agents should be fair enforcers, not bounty hunters.

How Congress Clogged Canal Street

Congress was badly misled by New York's Senator D'Amato and Representative Molinari when it passed their law that "tolls on any bridge connecting the Borough of Brooklyn, N.Y., and Staten Island, N.Y." may be collected only going westbound. There's but one such harbor crossing, the spectacular Verrazano-Narrows Bridge, and its new one-way tolls range from $3.50 for cars to $25 for some trucks. No wonder all those drivers are surging instead toward the toll-free westbound lanes of the Holland Tunnel, hopelessly clogging lower Manhattan's Canal Street.

The predictable effects of what was to have been a six-month test are apparent daily. Afternoon and evening traffic on Canal Street, which moved at 7.7 miles an hour before the bridge conversion, now crawls at 2.8 miles an hour. Feeder streets in Brooklyn are similarly clogged and the bridge's income from tolls dropped by $1 million in just two months.

Staten Islanders objected to two-way tolls because toll-booth congestion at their end of the bridge was fouling the air. When Governor Cuomo properly replied that bridge tolls were a local affair, Mr. Molinari and Senator D'Amato made them a Federal case. Their law allows two-way tolls again in September, if the Governor persuades Transportation Secretary Dole to permit it.

Representative Mrazek of Long Island has instead persuaded a House subcommittee to change the wrongheaded law to let local transit officials decide. If Congress agrees, that would solve the problem, but the mischievous statute would stand — a monument to irresponsible legislating. Why not memorialize our representatives locally? Rename Canal Street the D'Amato-Molinari Ditch until they confess error and get the law rescinded.

Topics

Dangers in the House

Before the Fall

Window guards save lives. For a decade, New York City has required landlords to install them, on request, in apartments housing children under age 11. The number of falls declined from 212 in 1976 to 105 last year, but a rash of recent accidents led the City Council to add a law that should save more lives.

It requires that landlords do more to inform tenants of their right to obtain window guards at modest cost. A landlord's failure would be made punishable by a $500 fine or six months in jail. To show it means business, the city would do well also to assign additional inspectors from the health or buildings department for a summer crackdown.

Ultimately, of course, children's safety is a parental responsibility. Landlords may charge only $10 per window and must permit repayment over 40 months. Tenants seeking help can call the Health Department at (212) 568-8082 or 566-7747 to obtain request forms. Unresponsive landlords should be reported.

■

High-Risk Defense

Why shouldn't a fearful homeowner keep a gun in the house? Because a gun is likely to make the house more dangerous, not more safe.

That's what police have said for years, citing their experience with accidental shootings, suicide attempts and fatal resolutions of domestic quarrels. New research published recently in The New England Journal of Medicine reinforces that judgment.

The researchers investigated 743 firearm fatalities in the Seattle area between 1978 and 1983. More than half, 398, occurred inside homes where the firearm was kept; 333 were suicides. Of 50 homicides, 42 occurred during arguments. There were 12 accidental gunshot deaths. In six years, meanwhile, the armed homeowners shot and killed only two intruders.

That count hardly tells the whole story. It doesn't include gunfire that wounded but did not kill intruders, nor does it indicate to what extent the presence of guns deterred housebreakers. But even if many were deterred, the price seems horrendous. The researchers found that only eight of the suicides occurred soon after gun purchase. Many guns acquired for protection eventually provided an unplanned opportunity.

How should homes be protected? With a call to the locksmith followed by one to the humane society. For a modest fee, it can provide an effective defense system, with built-in alarm, that walks on four legs and poses no threat to children or potential suicides. Dollar for dollar, a dog is a better deal than a gun.

Letters

Charting the Supreme Court's Conservative Drift

To the Editor:

In "The Rehnquist Court: a Watershed" (Op-Ed, June 22), Benno C. Schmidt Jr. said, "the Burger Court left most of the Warren Court's constitutional legacy intact." That distorts the historical record and does a great disservice to the memory of the Warren Court.

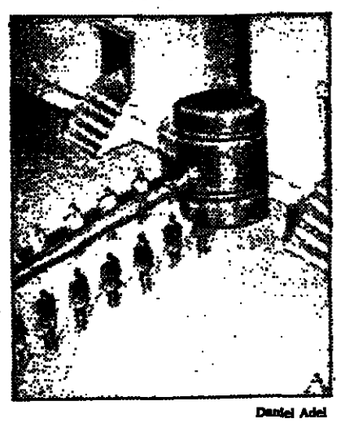
The Burger Court has been bent on eradicating the legacy of the Warren Court and has been remarkably successful in achieving that goal. That has been true even in race, the one area Professor Schmidt singles out for special treatment, as a measure of our decency and the Court's. According to Professor Schmidt, "the Burger Court has reaffirmed the most significant constitutional work of the Warren Court in race relations."

Brown v. Board of Education has not been overruled, but the legal program founded on that decision and nourished by the Court during the 1960's has been sharply curtailed. In the mid-70's the Court placed a narrowing construction on the equal-protection clause, making a violation turn on proof of a wrongful motive of the defendant rather than the effect or impact of a practice on a disadvantaged group.

The Burger Court gave new force to the so-called state-action requirement, so that a state's decision to award a liquor license to a private club that excluded blacks was held not to violate equal protection. The Court also placed limits on the remedial obligations of those found to engage in discriminatory conduct, insulating suburban school districts from desegregation plans, allowing the passage of time to institutionalize racial segregation and narrowly confining injunctions to the correction of some specific act, overlooking the systemic dimensions of racism.

Access to the Federal courts, which has been essential for full vindication of civil rights, has also been obstructed. Finally, the movement in the law intended to broaden the concern from race to class and in part inspired by the hope of forging a strategy to help those who are both poor and black has been denounced.

In all these developments, Justice Rehnquist has played an important,



Daniel Adel

indeed leading role. His elevation to Chief Justice will not alter the direction of the Court. It will simply conform the outward appearances to the inner reality. OWEN M. FISS
Bickel Professor of Public Law
Yale University Law School
New Haven, June 23, 1986

How It Was in World War II Yugoslavia

To the Editor:

In discussions of the Kurt Waldheim affair, ambiguities and misrepresentations inevitably come up about the terms interpreter, partisans and Yugoslav. As the eyes and ears of the occupying force, the interpreter, more than anyone, except his commanding officer, held the power of life and death in a particular village or town. And it didn't much matter what his rank was.

I remember fervently praying as a schoolboy in Yugoslavia during World War II that the Volksdeutsche interpreter would bypass our house and not take my father a hostage. To the occupiers of our small town of mixed population, "Moslems were good and Serbs no good," so that any skirmish on a nearby mountain road would set off the "interpreters" and their bloodhounds in our direction.

It was the civilian population that was the true victim of Nazi atrocities, and hardly, as it is often said, the partisans, who after all were guerrilla fighters. Even Mr. Waldheim, by his constant reference to the "cruel" war implies that it was more than a matter between two warring parties.

Much is hidden under the term Yugoslav. Half of Yugoslavia's people, mostly from the former Austro-Hungarian provinces, welcomed Hitler's invading armies, some with unrestrained joy. Many served on the Eastern front and bitterly regretted the demise of Nazism.

The Serbs, however, the bête-noir of Austria-Hungary in the First World War, were to become a special target for Adolf Hitler, that offspring of the empire's moribund days. Defiantly, when the rest of Europe lay prostrate, the Serbs spat upon the German ambassador, shouting, "better war than the pact" with Hitler. They paid, more than any other people in proportion to their size, except for the Jews, by hundreds of thousands — fighting in guerrilla units, dying in concentration camps, slaughtered in their villages in Bosnia by a deadly combination of fascism and religious fanaticism.

The truth of all this has been barely scratched after 40 years. That is why to Edgar M. Bronfman's call ("Shame on Austria," Op-Ed, June 10) for the "representatives of moral conscience" to continue with their work, I say yes, a thousand times, yes. DUSHAN ARSENOVICH
Boulder, Colo., June 12, 1986

There Doesn't Seem a Need for Unisex Scouts

To the Editor:

Benjamin J. Sadock's letter, "Why A Woman Should Lead Boy Scouts" (June 8) is arrant nonsense. Although the N.Y.U. Medical Center professor may know something about psychiatry, he clearly knows nothing about the Boy Scouts.

He criticizes a Connecticut court's decision not to permit a woman to be a scoutmaster (scoutmistress?) as lacking in common sense and contrary to scientific evidence. I think common sense would suggest that boy leaders become men leaders, and surely there is no scientific evidence that boys can naturally grow into women.

It is a fundamental tenet of the Boy Scout movement — propounded by its founder, Lord Baden-Powell, more than 75 years ago — that it be run by the boys themselves. The troop leaders are selected from its members, who become patrol leaders, then senior patrol leaders and assistant scoutmasters, all promoted because of experience, training and ability. An assistant scoutmaster (still a young *man*), after formal leadership training, can be appointed scoutmaster, a position requiring the approval of a council of professional scouters.

To impose a woman at the uppermost level of this natural sequence would be a travesty of Scouting's fundamental principles of organization and leadership, which stress emulation of its leaders and learning by example. The most minimum requirement, then, according to Dr. Sadock, would be that some Boy Scouts be girls.

Dr. Sadock's assertion that a scoutmaster should somehow inculcate values of intimacy and female assertiveness in his boys is ludicrous, if not downright obscene. Boy Scouts have boys as their membership; Girl Scouts, girls. They will get to know one another soon enough. There does not seem to be a need for Unisex Scouts. RICHARD M. BALL, M.D.
South Plainfield, N.J., June 9, 1986
The writer is a former Boy Scout and scoutmaster.

Equality Means That Men, Too, Are Responsible for Child Care

To the Editor:

Reading "Feminism's Next Challenge: Support for Motherhood" by Sylvia Ann Hewlett (Op-Ed, June 17), I realized what makes me angry about the current wave of feminist bashing, whose theme is more or less, "But what have you done for us *lately*?"

A little over 20 years ago, at the dawn of the current movement, women were — as a matter of course and sometimes as a matter of law — denied equal pay for the same job, barred from many occupations, fired when they married, fired when they became pregnant, denied equal fringe benefits, denied reproductive choice, barred from juries, barred from many schools and colleges. The achievements of the last two decades, thanks to the painful struggles of legions of pre-yuppie women, are brushed aside. "Many of the battles that were fought by feminists in the 70's," we are told, "were important."

Important? They were revolutionary! But these victories are frighteningly fragile and require constant vigilance to be preserved. They cannot be taken for granted as current thinking would have us do. Yes, absolutely, we must fight for decent, affordable child-care systems and parental leave, and the women's movement should place increasing emphasis on these issues.

However, it is not only motherhood but also parenthood that we must support. If child care is accepted as solely a woman's problem, we have little hope of getting men to take a significant share of this burden and without that, women will continue to be disadvantaged in the workplace and exhausted from doing two full-time jobs — paid work and child care-housework.

Parents of both sexes need to know they will not lose their jobs when they are physically unable to work (because of pregnancy, illness or injury); they need time off to care for newborn, newly adopted or sick children, and they need to be able to go to school plays and pediatrician's appointments without loss of pay.

And women — both as individuals and as part of a movement — need to insist that this is not just *their* problem. We may win the battle for child care and parental leave, but we will lose the war for true equality if we continue to talk and act as if men bear no responsibility for the care of children. ISABELLE KATZ PINZLER
Director, Women's Rights Project
American Civil Liberties Union
New York, June 18, 1986

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.

To the Editor:

The views of Judge Antonin Scalia, nominee for the United States Supreme Court, illuminate the new meaning of "conservative" in the lexicon of American politics. You quote him as saying, "The Court has enforced other rights, so called, on which there is no societal agreement. . . . The courts have no business being there. That is one of the problems; they are calling rights things which we do not all agree on" (June 19).

Social research and universal experience indicate that there is no national consensus on the rights of free speech, personal property and the multitude of precious liberties won by the individual in Western civilization. It has been the hallmark of the conservative to insist on bulwarks against transitory majorities, from parliaments to mobs, that would deprive individuals of such rights.

But the new conservative is motivated by the overarching desire to impose on all citizens his concepts of the good life, usually derived from sectarian beliefs that are not agreed on by all citizens. (The so-called conservatives gave us Prohibition.)

In the United States, the Founding Fathers explicitly pre-empted the Government from imposing such concepts. Further, they made explicit those inalienable rights to which Jefferson had earlier referred. If Judge Scalia believes courts can enforce only what majorities prefer, he is not an apt choice for the highest court in the land. WILLIAM MARTIN
Port Washington, L.I., June 19, 1986

To the Editor:

William Safire's June 20 column on Judge Scalia dispenses more heat than light. It is not accurate to state that Judge Scalia believes "reputation is a higher value than free speech." Judge Scalia proposed a legislative solution to resolve the conflict between the libel laws and free speech. He suggested a change in the law of damages. Justice Byron White and Floyd Abrams have suggested similar legislative solutions.

My proposal (similar to Mr. Abrams's) is (1) eliminate punitive damages; (2) require the losing party to pay the prevailing party's costs including attorneys' fees, and (3) if the plaintiff prevails, require a retraction. Such a change would protect both reputation and free speech.

The choice of Judge Scalia for the Supreme Court is first-rate in every respect. CHARLES O'CONNOR
New Haven, June 20, 1986

To the Editor:

Yes, "it was Ronald Reagan's landslide" ("Toward a Rehnquist Court," editorial, June 18). But surveys demonstrate that the President retains his popularity despite, not because of, his stands on social issues.

The overwhelming majority of the American people, given an up or down vote on the social conservatism exemplified by Justice Rehnquist and Judge Scalia, would undoubtedly respond in the negative to their nominations. The United States Senate should do the same, lest we be saddled with a thoroughly unrepresentative Supreme Court for a generation to come. DOUGLAS BRIN
New York, June 19, 1986

To the Editor:

It is unfortunate that Mr. Scalia is continually referred to as an Italian-American, instead of an American. Alistair Cooke, in "The Patient Has the Floor," recently published, refers to "a general movement in the United States to unmelt the melting pot, to break down the goulash of the pot into its ethnic ingredients: to return, in short, to the immigrant compounds which Teddy Roosevelt was determined to fuse into one nation."

Mr. Cooke quotes Teddy Roosevelt, whose words are unfortunately still applicable in 1986: "The country must stop talking about German-Americans and Italian-Americans and Polish-Americans. We have room for but one language here, and that is the English language, for we intend to see that the crucible turns our people out as Americans. There must be no more hyphenated Americans." How disappointed he would be to read this week's news. ELISABETH VAN INGEN
New York, June 19, 1986

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FOREIGN AFFAIRS
Flora Lewis

Useful Political Fallout

VIENNA

The political fallout of the Chernobyl reactor accident has been impressive. It took a dreadful shock to budge major countries from their smug belief in nuclear sovereignty, but now things are beginning to move at the International Atomic Energy Agency here.

In the next three months, the I.A.E.A. is going to start meetings to draft new international agreements requiring early warning and emergency assistance in case of nuclear accidents; make an expert review of just what happened at Chernobyl, why, and what can be learned; hold a special session to plan more safety measures.

Obviously, governments have been seriously shaken by the worldwide impact of the accident, not least but not only the Russians. After the Three Mile Island accident, the U.S. was moved to propose voluntary guidelines for safety. But Chernobyl, which was enormously worse, has made clear that there isn't any choice to starting obligatory measures.

This is a sign of some responsiveness, at last, to public fears. It also reflects the conviction, on official levels, that the world hasn't any choice but to expand the use of nuclear energy or to forgo steady increases in the use of electricity on which improved living standards depend. So it had better take better care of the atom.

Hans Blix, the earnest, soft-spoken Swedish Director General of the

Chernobyl has forced a realistic response to nuclear issues

I.A.E.A., says bluntly: "I came to nuclear energy for environmental reasons. The only alternative in the next few generations is coal, which would inevitably cause much more dangerous pollution." At the rate electricity consumption is going up all over the world, he says, nothing else could take up the slack.

In a letter to Mr. Blix, Mikhail Gorbachev, the Soviet leader, accepted the implications. "Ensuring reliable and safe nuclear power development must become a universal international obligation of all states severally and collectively," he wrote. He wasn't prepared to go that far on international verification, which he suggested only "where appropriate." But he did recognize that radiation can't be made to respect borders.

There are many different aspects of the problem that Chernobyl showed require new attention. For example, there were the drastic differences in what neighboring governments told their people were safe levels of contamination in food, which naturally added to fears.

One good new idea is to have the World Meteorological Organization include radiation readings in its daily global weather report. That would show both the normal background levels, which can vary widely in different parts of the world, and give quick notice of any increase.

The emergence of the I.A.E.A. as the crucial group in dealing with these nuclear issues is an example of the necessity of multilateral organizations.

It was first established in the wake of President Eisenhower's Atoms For Peace program, and has had a little-noticed but remarkably effective role in spreading the benefits of nuclear science, not only in energy but in agriculture, medicine and health. Control of the Mediterranean fruit fly and the dread tsetse fly is being developed with nuclear isotopes.

The I.A.E.A. is also responsible for the safeguard system of making sure countries don't use peaceful atomic programs to develop secret weapons, an experience that could make the agency the vital watchdog if nuclear powers ever agree to cut off production of atomic explosives.

Forty years into the atomic age, and more than 50,000 warheads later, this seems piddling progress compared with the disaster that everyone now knows even limited release of radioactivity can produce. But there has been a gradual change of attitudes. Compared with the long time it took to ban nuclear tests in the atmosphere, which showered the globe, the universal reaction to Chernobyl showed that people have begun to learn.

The atomic age won't blow away and it isn't the only grave danger resulting from man's industry and invention in an increasingly crowded world. Chemical poisons, for example, have caused even worse accidents in recent years.

No longer the vicissitudes of nature, but the sometimes perverse effects of human ingenuity are the greatest threats now. Sadly, it still takes a dreadful shock like Chernobyl to force realistic response. But there's a bit of comfort in seeing the political colossi can be moved. □

The Democrats Are Isolationist? Nonsense

By Alan Tonelson

WASHINGTON — As the campaigns for the 1986 and 1988 elections heat up, Democrats are struggling to respond to charges — many from within their own party — that their views on foreign policy are isolationist. These accusations are not only unfounded, they lend credence to President Reagan's dangerous argument that failure to support every anti-Communist crusade he proposes amounts to abandoning major American interests.

Alan Tonelson is associate editor of Foreign Policy.

Charges of isolationism first arose among Democratic neo-conservatives, who thought that exhausting America in strategically marginal Vietnam was sound policy. Now they come from liberals as well: in a report designed to restore party unity, Representative Stephen J. Solarz of New York and a former Kennedy White House aide, Theodore Sorensen, for example, have implicitly scolded many Democrats for favoring "a Chamberlain-style isolationism" and shrinking from the "timely" use of force "to preserve our essential interests."

Yet even in the post-Vietnam era the great majority of Democrats did not embrace isolationism, even loosely defined. No significant faction in the party seriously questions the American commitment to defend Western Europe, although many Democrats and Republicans want our European allies to bear more of the costs. No influential faction has fundamentally challenged America's pledge to protect Japan, although again many question the cost. No significant Democratic voices, save possibly the Rev. Jesse Jackson's, favor weakening American security ties with Israel. The party as a whole strongly favors supplying weapons to Afghan resistance forces.

The charge of isolationism centers on many Democrats' opposition to aiding anti-Communist fighters in Angola, Cambodia and Nicaragua. Yet a narrow majority of Congressional Democrats supported providing money and weapons to the non-Communist Cambodian rebels. Mr. Solarz himself rejects assistance to their Nicaraguan and Angolan counterparts. More important, it's difficult to understand why noninterventionism in these three cases adds up to isolationism.

Regarding American strategic or economic interests, all three countries are insignificant — even nearby Nicaragua. If their fates were vital, or even important, to America, the Administration would not be requesting trickles of aid to achieve its aims. In fact, if the President believed his own scare talk about the threat from Nicaragua, he would ask for a declaration of war immediately.

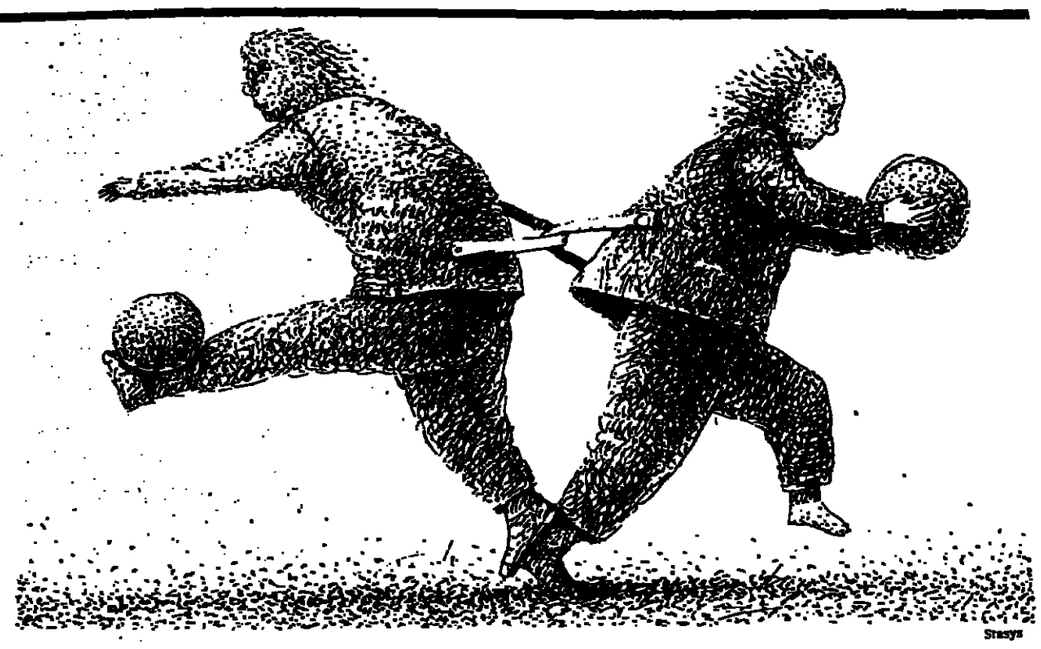
Democratic breast-beaters believe that a harder anti-Soviet line in the third world will help the party politically. But until the vote last week on contra aid, mainstream Democrats had come up with a better way to reconstruct a foreign policy consensus than letting Republicans scare them into proving their anti-Communism in global backwaters.

These more sensible Democrats — men like Senator Edward M. Kennedy and Representative Lee H. Hamilton of Indiana — have, in their own halting way, arrived at a set of policies that would use American resources efficiently where we need them most. These include strong support for alliances with the major industrial democracies coupled with efforts to distribute the defense burden more equitably; a firm commitment to Israel's security; assistance to victims of naked Soviet aggression, such as the Afghans; and extreme caution about plunging into banana republic strife of no strategic significance. Everything known about public opinion in the Gramm-Rudman-Hollings era indicates that these are the voters' priorities as well. In particular, there is little significant public interest in the Reagan Doctrine.

Those Democrats who criticize these positions can only convince voters that the President is right — that even in an age of strict budgetary limits it is impossible to distinguish between major and minor security threats. The Democratic Party today has been standing for defending what is important to America and steering clear of Vietnam-like traps. For the sake of their party and their country, Democrats should stop apologizing for being right on foreign policy, and start pointing out how the Administration has led America astray. □

What Soccer Means

By Ben Sharp and Dan Sharp



Strayo

While watching soccer's World Cup this past week with friends in Europe and the United States, we reflected on why the world's most popular sport is only of minor interest in the United States, and why this particular championship did not include an American team. In most countries, the Cup commands major interest, filling the newspapers and dominating conversation. Normal commerce seems to come to a halt, and, particularly in Latin America, a visitor finds it almost impossible to do business with some government ministries.

Yet here at home, the results of the matches cannot easily be found in many newspapers. Most of the games have been shown on subsidiary television channels. When a major network does broadcast a match, as happened with the quarter-final game between England and Argentina, the announcers dutifully described the World Cup as "the world's greatest sporting tournament." But that acknowledgement was not reflected in most of our programming, perhaps because other soccer matches didn't have the same political aura: England and Argentina are still legally at war over the Falkland or Malvinas Islands. And professional soccer failed in the United States a few years ago despite large-scale investments in many of the world's greatest players.

There may be cultural and philosophical reasons for this. The most popular team sports in the United States are football and baseball, and in both there are many aspects of American culture. Both involve a series of encounters in which one team wins and one loses, and it all happens very quickly. Even in baseball, the action is frequently explosive, and in football it is sometimes violent. The rules are complex and require considerable understanding, appealing to our legalistic tradition. Detailed statistics are kept on the most minute aspects of each player and team, which appeals to our desire to quantify everything. Frequent breaks in the action allow us to indulge in conversation with fellow viewers, as well as endure lengthy analyses by talkative announcers.

Ben Sharp, an athlete, is a senior at King High School in Stamford, Conn. Dan Sharp, his father, is director of international relations for the Xerox Corporation.

By contrast, soccer games are long, with few scores and a large number of very small incidents in which somebody gains a temporary advantage but whose consequences seldom show up on the scoreboard.

Unlike football and baseball, whose tactical possibilities fascinate the American spectator (it's third down and six — run or pass?), soccer reflects not a transactional view of life but rather a continuous flowing in which, for long periods of time, neither side achieves measurable gains and play continues virtually without interruption. And can you imagine an American sponsor patiently waiting for the half-time break, and being content with five-second ads flashed at the bottom of the screen, as happens in most countries?

But how then does one account for the immense popularity of basketball, which, like soccer, is a continuously flowing game? Well, there's a big difference. Basketball involves frequent scoring, with more than 100 scoring opportunities in a professional basketball game as against an average of three or four in a soccer match. And here again, the action is faster and more explosive.

What does this teach us about differences in culture? Perhaps nothing; perhaps it reflects little more than the fact that soccer was introduced to this country when the market for televised sports had become saturated. But it may also suggest differences in how we think and act; and maybe by understanding these differences we might understand our allies and adversaries a bit better and find a basis for accommodating our more important differences.

Researchers have been able to track quantitative correlations between the values expressed in a society's nursery rhymes and its gross national product some years later. Might we also learn something by comparing the values implicit in our favorite spectator sports with those of our allies and competitors? Perhaps we might find a way to increase our long-term economic competitiveness, even a way to avoid war. Wild thoughts, surely, but are we accomplishing those objectives with our present analyses? □

WASHINGTON | James Reston

Liberty and Authority

WASHINGTON

In rededicating the 100-year-old Statue of Liberty in New York Harbor, it may be useful to reflect on what has happened to liberty in the world during the 20th century, and to define the meaning of the old monument.

At the beginning of the century it was taken for granted, even in Russia, that the Western democracies would provide the political models to lead the way to human progress. It was widely believed then that by using the technology and political institutions of the West, even the impoverished and backward nations would gradually learn to settle their differences by open discussion and free elections, and move toward the establishment of justice under law.

Now in the closing years of the century, the ideals of the West are no longer taken for granted or universally accepted as the only or even the best way to the good life. They are challenged over broad stretches of the earth and are often doubted and violated in our own hemisphere.

All the more reason, then, to celebrate the ideal of liberty in New York

Neither can stand alone

Harbor along with our allies and renew our efforts to defend what's left of our common civilization; but we must be clear about the meaning of the word liberty, and here we have some guidance from the past.

President Lincoln thought the world had never had a good definition of liberty. Jefferson and Hamilton argued about it. Jefferson stressed "liberty" and Hamilton "authority" and even today there are many who believe we have to choose between the two. But the history of the Republic suggests that the conflict between liberty and authority can be resolved only by uniting the two principles.

"To be partisan today as between Jefferson and Hamilton," Walter Lippmann wrote over 40 years ago, "is like arguing whether men or women are more necessary to the procreation of the race. Neither can live alone. Alone — that is, without the other — each is excessive and soon intolerable."

The evidence of this is all around us. The terror in the world is committed by a small minority that believes it is at liberty to use any violent means to achieve its political ends. People are deprived of independent work in the Soviet empire by a dictatorship that demands "liberty" for the few to destroy the liberty of millions not only in the U.S.S.R. but in all of Eastern Europe. See also South Africa and other prisons too numerous to mention.

Even in our "sweet land of liberty" the word has many meanings. In the Civil War the South demanded liberty to secede from the Union. President Reagan feels at liberty to try to topple the Government of Nicaragua, though he recognizes that Government and keeps an ambassador in Managua. In the process he violates his treaty commitments to the Organization of American States and the U.N., and rejects the World Court's responsibility to pass judgment on his military actions.

Likewise, he feels at liberty to send his bombers against Libya to punish Colonel Qaddafi for supporting terrorists, and he reseats the allies for failing to cooperate with his invasion.

In the civil life of the nation, personal liberty has a lovely sound but often means license to break the law, traffick in drugs, abandon families and put personal or special interests ahead of the general good.

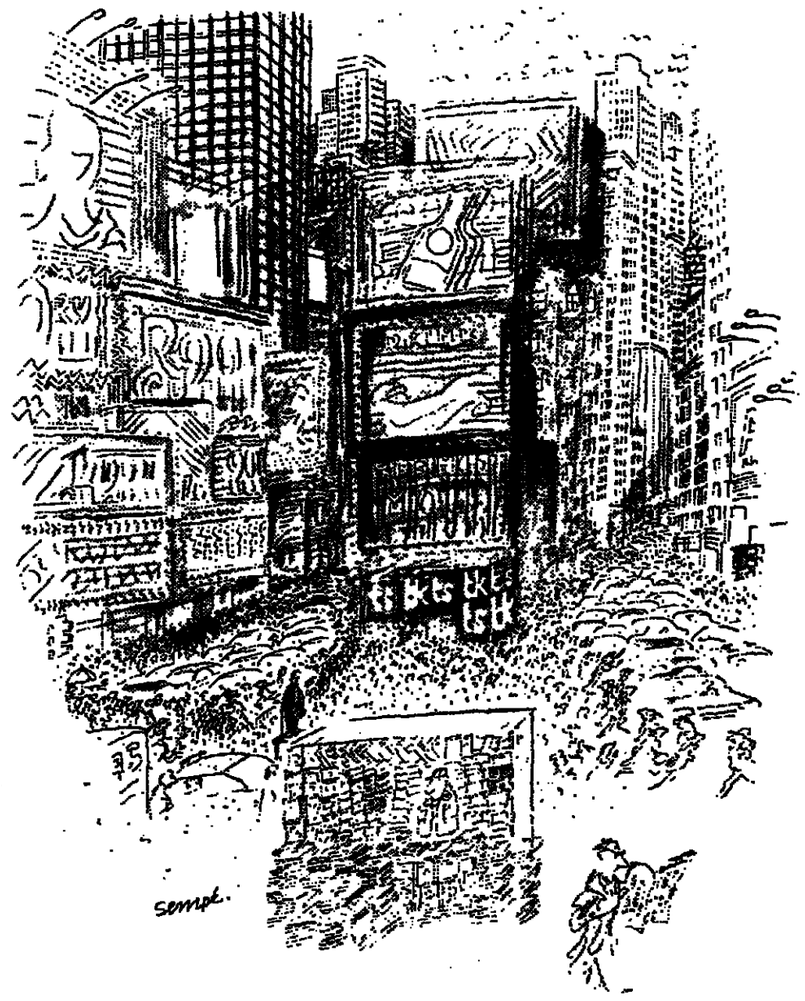
To argue against this kind of personal "liberty" is not mere moralizing. De Tocqueville insisted that liberty could not stand alone but must be paired with a companion value: liberty and morality; liberty and law; liberty and justice; liberty and the common good; liberty and civic responsibility.

The modern nation-state, operating for the first time in a complicated world economy, has to find practical ways of reconciling personal liberty with the general welfare if it is to compete successfully with other industrial nations that are making progress through cooperation by management, labor and government rather than through conflict and confrontation.

The Statue of Liberty is a powerful symbol. By opening its doors to the hungry and oppressed peoples of the world, the U.S. increased its population from 50 million 100 years ago to 227 million in 1980, and was strong enough to bring the New World to the rescue of the Old in the two great challenges of this century to Western civilization.

It is still being faithful to the open door and providing refuge to the displaced peoples of Asia and Latin America, but learning ever so slowly that liberty without restraint is like a river without banks, and that it must be limited to be possessed.

Unfortunately, it is easier to restore a monument than to master a new philosophy for the coming age. But the Statue of Liberty reminds us that even in a wayward age some things endure. □



Every message is at the mercy of its environment.

Every ad is affected by two forces: the other messages surrounding it, and the editorial environment it appears in.

This editorial and advertising rub-off, separately and together, has the ability to add quality, credibility and integrity to a message. Or subtract from it.

Which is why these times demand The Times. Its editorial environment contributes to every message it carries. Elevating it, framing it, separating it from the crowd.

The other messages sharing this environment do the same. For among them, they represent the finest products and services in the world.

So maybe, after all these years, McLuhan *was* right. The medium *is* the message.

These times demand The Times.

The New York Times

Arts & Leisure

Movies Look Back for the Future

By MYRA FORSBERG

David Brown, the Hollywood producer, calls it "Shintoism — ancestor worship."

Sydney Pollack, the Academy Award-winning director, sees it as a personal form of film making — "a way to examine what's happened to you over the years."

And Claude Lelouch, the French director and writer, views it as "tracing not only how the film's characters have evolved over time, but how the public has changed as well."

All three have been involved — whether in just the idea stage or the actual shooting — in the making of a sequel. But their individual projects are not your typical progeny of a box-office hit — films that follow the original from one to four years later, pick up the story immediately, and invariably sport a Roman numeral II at the end of the title.

Instead, these three men — and such stars and directors as Martin Scorsese, Paul Newman, Jack Nicholson, Robert Towne and Anthony Perkins — have toiled on sequels to classic films that are 10 to almost 50 years old. In many cases the original actors are reprising their roles, in some cases the original director is on the set, and in others footage from the first film is used.

These sequels are not in the tradition of a "Poltergeist II" or "Superman III." They are the descendants of resonant films whose images have reverberated in moviegoers' minds for a decade or more. Many of these original films won one or more Oscars, and most were made by respected or even legendary directors. All of them introduced at least one memorable character whose fate was left unresolved. And although the sequels to these classics can symbolize a very personal form of cinematic art, there is always the hope that the new production will prove as popular at the box office as its predecessor.



Paul Newman in the sequel to "The Hustler"

Among the upcoming sequels to classic films are:

¶"Psycho III," the second sequel to Alfred Hitchcock's 1960 masterpiece, "Psycho," which featured Mr. Perkins as Norman Bates. Mr. Perkins is star and director of the latest film, which opens Wednesday at the Loews Astor Plaza and other theaters.

¶"A Man and a Woman: 20 Years Later," the sequel to Mr. Lelouch's *Oscar-winning* "A Man and a Woman." Set for an August release in New York, it features Jean-Louis Trintignant and Anouk Aimée, the handsome pair in the 1966 original.

¶"The Color of Money," the sequel to Robert Rossen's 1961 film "The Hustler," with Mr. Newman again hanging around pool halls as Eddie Felson. Directed by Mr. Scorsese, it is set for a Christmas release.

Projects under discussion include:

¶"The Two Jakes," the sequel to "Chinatown," with Mr. Towne as writer and director and Mr. Nicholson re-inhabiting the persona of Jake Gittes — the nosy detective in Roman Polanski's 1974 classic. The project was halted last year because of budget problems and concerns over Robert Evans, the film's producer, portraying the second Jake of the title. Mr. Evans says he now hopes to start shooting next spring, but other participants say some key issues are still unresolved.

¶A sequel to "The Way We Were," Mr. Pollack's 1973 film with Barbra Streisand and Robert Redford. The director has perused scripts over the years, but none has been approved.

¶A sequel to the 1939 screen version of Margaret Mitchell's epic "Gone With the Wind." Mr. Brown, Richard Zanuck and Universal began working on a sequel in 1976, but the two men had script disagreements with M-G-M — which was also involved — and the option expired in 1980. According to a spokesman for the Mitchell estate, a sequel is now under "steady investigation — it will be a few months before anything is decided."

¶A sequel to "Joe," the 1970 film featuring Peter Boyle, about a reactionary's clash with 60's hippies. A Cannon Group spokesman says that the movie is in development but there is no release date yet.

What attracts many movie makers to the genre is the fascination of continuing the stories of cinematic characters who have aged a decade or more. Whereas a more traditional sequel invariably picks up the narrative right after the first movie's last kiss (or killing) — blithely ignoring the fact that the leading man may have noticeably aged several years — these films usually find their raison d'être in the aging process itself.

Indeed, it is the need to see how these characters have developed over the years that seems to fascinate both film makers and audiences alike.

"I think people were eager to see what happened to Norman," says Mr. Perkins, referring to "Psycho II," the 1983 film set 22 years after Norman Bates was shipped off to a mental institution. "They wanted to see what happened to the Bates Motel — it sits there in people's memories."

When Mr. Perkins agreed to play Norman again for "Psycho II," "I wasn't thinking of *re-creating* him. I was thinking how he would have changed and what he would have gotten out of 22 years in a hospital for the criminally insane."

How characters develop as they meet their individual destinies is what intrigued Mr. Lelouch when he was devising "A Man and a Woman: 20 Years Later." "I wanted to see how the two lovers had evolved in the last two decades," he said through an interpreter. "This film has a large collective memory for a great number of people. The characters have changed and the public has changed. I was interested in that progression."

In the new film, the two lovers — Jean-Louis, a former race car driver, and Anne, a former "script girl" who is now a film producer — meet again when Anne decides to make a movie about their past romance. According to Mr. Lelouch, he found that "the aging process takes place more in the arteries than the mind. My characters are in better shape now than 20 years ago."

> Seeing how the characters have developed seems to fascinate film makers.

His examination of the aging process extended to his own interactions on the set: "It was strange when we began shooting. I had changed and the actors had changed. I truly felt as if I were making a new film."

Making a *new* film was exactly Mr. Scorsese's intention when he started collaborating on "The Color of Money": "I didn't want to be involved in a literal sequel — in which you should know what the first film was about to understand the second."

What interested him was the character of Eddie Felson — where that young pool hustler would be 25 years later. "The new film delves a great deal into internal conflicts — internal dramas, manipulations, control," Mr. Scorsese says. "It's about the changing of values. And it's a much more introspective picture. Eddie — he's lost it, he's lost the will to play pool — we never know why. But he's become a sharp character, nevertheless. He's become a stakehorse — a man who has a stable of young pool players he sponsors."

The turning point in Eddie's smug existence comes when he meets a player portrayed by Tom Cruise: "He sees this young kid who's just this wonderful pool player — but the kid doesn't understand anything about money, *he doesn't* understand anything about cheating to make even more money. So Eddie takes the kid under his wing and starts to corrupt him. But of course things don't exactly go the way he plans — especially his own feelings. Taking the kid on the road, he's really facing himself. Instead of the education of the kid, it's *his* education."

Mr. Scorsese feels Eddie Felson has a great affinity with characters who have populated his previous movies, from "Mean Streets" to "Raging Bull." "Eddie's so self-destructive, and that's the kind of character I'm attracted to in my own films. I felt very close to him."

This closeness with certain characters is something Sydney Pollack has *felt about the two lovers* in "The Way We Were," set partially in postwar Hollywood. Barbra Streisand played a political radical who married an apolitical writer (Robert Redford).

"It's something that I haven't been able to get out of my head," Mr. Pollack says. "I wouldn't think of it as a typical sequel. Bob and Barbra's characters are 15 years older — you might be able to explain the effects of time on them without covering the same ground as the original film."

Mr. Pollack says, however, that he does not know if there ever will be a sequel because "I haven't been able to find the right script. There have been a couple of tries. I'm meeting with writers and perhaps something will come out of that."

More than anything, he says he "enjoys daydreaming about these characters. They're like old school chums you used to know, you wonder what's happened to them."

Adult Romance in Films Fades From the Picture

By VINCENT CANBY

It was news the other day when Matthew Broderick told a reporter that he'd played his last teen-ager (a high-school senior) in John Hughes's new comedy, "Ferris Bueller's Day Off." Though Mr. Broderick turned 24 last March and could — without straining the imagination — take on a comparatively "mature" role as a young poet, businessman, banker, theoretical mathematician or psychotic bum, he isn't going to find it easy making the leap out of his screen teens.

The problem isn't only that he has played teen-agers so well — and with such uncommon intelligence — in "WarGames" and "Ladyhawke," among other films, as well as on the stage in Neil Simon's "Brighton Beach Memoirs" and "Biloxi Blues." It's not that his looks hold him back, though Mr. Broderick is the kind of man who'll probably be in his late 30's before bartenders stop asking him for his I.D. card. The big problem is the movie public or, at least, what producers, who ought to know (but sometimes don't), assume the movie public wants.

If it's true that the most enthusiastic and loyal movie theater patrons today are in their teens or early 20's, it's not difficult to understand why producers (and the bankers who finance them) continue to make movies that are specifically about this group or that are primarily designed to appeal to it, even if the actors in them (people like Dan Aykroyd, Bill Murray, Chevy Chase, Rodney Dangerfield and George Burns) will never again see their 20's.

These words aren't written in high dudgeon, which would be a waste of emotion, but as an explanation for what seems to be the inevitable state of affairs at the moment. Every now and then films like "The Color Purple" or "Out of Africa" come along that (no matter what you think of them) manage to draw audiences from other age categories. They are, however, the exceptions. I doubt whether today's mass movie audiences are any more or less intelligent than they were in the 1930's, 1940's and 1950's. It's just that they're younger. Their interests are different.

Exactly how different has been brought home to me in recent months during a completely unstructured, unscientific survey of movies of the 30's, 40's and 50's, prompted mostly by the availability of a video cassette recorder and a desire to see how a number of movies, which I'd remembered with much affection, would look so many years later.

There were unexpected disappointments:

I couldn't sit all the way through "Topper," the 1937 comedy-of-ectoplasm with Cary Grant and Constance Bennett, and a movie I'd once found side-splittingly funny. In spite of its high-style performances and camera trickery, "Topper" today looks awfully arch, and moves so slowly that it's best viewed with the fast forward button permanently pushed down.

Even "My Man Godfrey" (1936), recalled as the epitome of screwball comedy, is a good deal less than an unalloyed delight. It makes some comparatively daring, populist points about the unequal distribution of wealth during the Great Depression, but Carole Lombard, who remains incomparable in "Twentieth Century," "Nothing Sacred" and "To Be or Not to Be," is, in "Godfrey," merely hysterical. It's William Powell, one of the cinema's all-time great farceurs, who carries the show and makes it comically bearable.

The biggest shock was the realization of how lame were the screenplays for virtually all of the Fred Astaire-Ginger Rogers vehicles (with the exception of the one for George Stevens's "Swing Time") — the wit expressed through leaden sarcasm and the romances complicated only by trifling misunderstandings. One endures a lot of dead screen time between those glorious dance numbers (which, as a child, I'd always thought of as the fidgety parts).

The revelation of this most whimsical of surveys had nothing to do with the discovery that a lot of movies had grown smaller with age, while others (including "The Little Foxes," "Woman of the Year") had remained triumphantly larger than life and a few (among them, "His Girl Friday" and "Gentlemen Prefer Blondes," both the work of Howard Hawks) had even grown in stature.

It was while watching "His Girl Friday" (1940), Hawks's free but essentially faithful adaptation of Ben Hecht and Charles MacArthur's American stage classic, "The Front Page," that I at long last recognized the obvious. That is, that all of these films — good, bad or indifferent, from "Anna Christie" (Greta Garbo, 1930) to "Red Dust" (Clark Gable and Jean Harlow, 1932), "The Thin Man" (William Powell and Myrna Loy, 1934), "The Postman Always Rings Twice" (John Garfield and Lana Turner, 1945) and "Rear Window" (James Stewart and Grace Kelly, directed by Alfred Hitchcock, 1954) are movies by, about and for adults.

I've never had much patience with people who ask, "Why don't they make movies like they used to?" (Times change, that's why.) Such complainers are more often expressing a distaste for what they take to be the menacing manners reflected in today's movies (four-letter words, violence, sexual freedom) than a longing for a particular kind of simple, reassuring, neatly plotted movie they wouldn't go out to see today anyway. If they miss those movies so much, they can always see them as sit-coms or as television Movies of the Week.

Although today's theatrical movies more accurately reflect contemporary manners than did the carefully self-censored movies of the 30's, 40's and 50's, they're now far less sophisticated. This, in turn, has less to do with their style than with their content, and the content is dictated by the audiences for whom they've been made.

Before World War II, and in the years immediately following (before the advent of television), theatrical movies were the only game in town. The Aldous Huxleys, Scott Fitzgeralds, Dorothy Parkers and William Faulkners, who then slaved in Hollywood for the good money they earned, liked to say they were writing movies for 12-year-olds.

Up to a point, they were right. They were writing movies that, as demanded by the old Production Code, were prohibited from using the language that was being spoken by the members of their audience, that guaranteed that all wrongdoers must pay for their crimes, that regarded nudity as a sin, and that promised to uphold "the basic dignity and value of human life."

The movies they wrote, however, were not intended primarily to attract 12-year-olds but, rather, not lead them into temptation and along the paths of unrighteousness. The movies themselves were designed for the adults who bought the tickets and who had to take the kids along with them.

Huxley, Fitzgerald, Parker, Faulkner and the rest wouldn't get a chance to turn up their noses at today's Hollywood. Nobody would attempt to hire them. What could Dorothy Parker or Anita Loos add to John Hughes's "Pretty in Pink" that would increase the audience that Mr. Hughes already has sewn up?

Watching a large collection of these golden oldies over a comparatively short of time, one is also struck by the maturity of their stars, though, in years, they were often no older than today's. In "Pretty in Pink," Molly Ringwald, 17, must decide whether or not she'll go to the prom and, if she does, what she'll wear.

At the same age, Elizabeth Taylor appeared in "Conspirator" as a wife wrestling with a terrible marriage problem (what do you do if your husband is a Russian spy?): "Conspirator" is not a good movie but, at least, it allowed Miss Taylor to start growing up.

When she died in 1937, Jean Harlow was 26 (one year older than Daryl Hannah is today) but she left behind her a series of wonderfully funny, brassy performances as fully realized women who knew exactly what they wanted. At 21 she co-starred with Clark Gable in "Red Dust," playing a woman who, with her heart of gold, was undeniably a trollop and none the worse for wear.

In those days there wasn't much call for movies about the problems of prom queens, or about high-school seniors who, like Mr. Broderick's Ferris Bueller, want to take a day off from classes. We think of the movies of the 30's as being basically innocent, since characters couldn't swear or sleep together. Yet the movies of these liberated 80's are far more naïve.

All but vanished today are movies that take relations between men and women seriously enough to be seriously funny or seriously serious. There are exceptions, most notably Woody Allen's series of comedies, first with Diane Keaton and then with Mia Farrow. Otherwise there are only the occasional, idiosyncratic one-shots.

These would include John Huston's "Prizzi's Honor" with its bizarre, triangular love story played by Jack Nicholson, Kathleen Turner and Anjelica Huston; Robert Benton's "Kramer vs. Kramer" (Dustin Hoffman and Meryl Streep); Lawrence Kasdan's "Body Heat" (William Hurt and Kathleen Turner); Karel Reisz's "Sweet Dreams" (Jessica Lange and Ed Harris), and James L. Brooks's "Terms of Endearment," in which Shirley MacLaine and Jack Nicholson seem to be recalling the kind of elegant battles waged by Katharine Hepburn and Spencer Tracy more than 30 years ago.

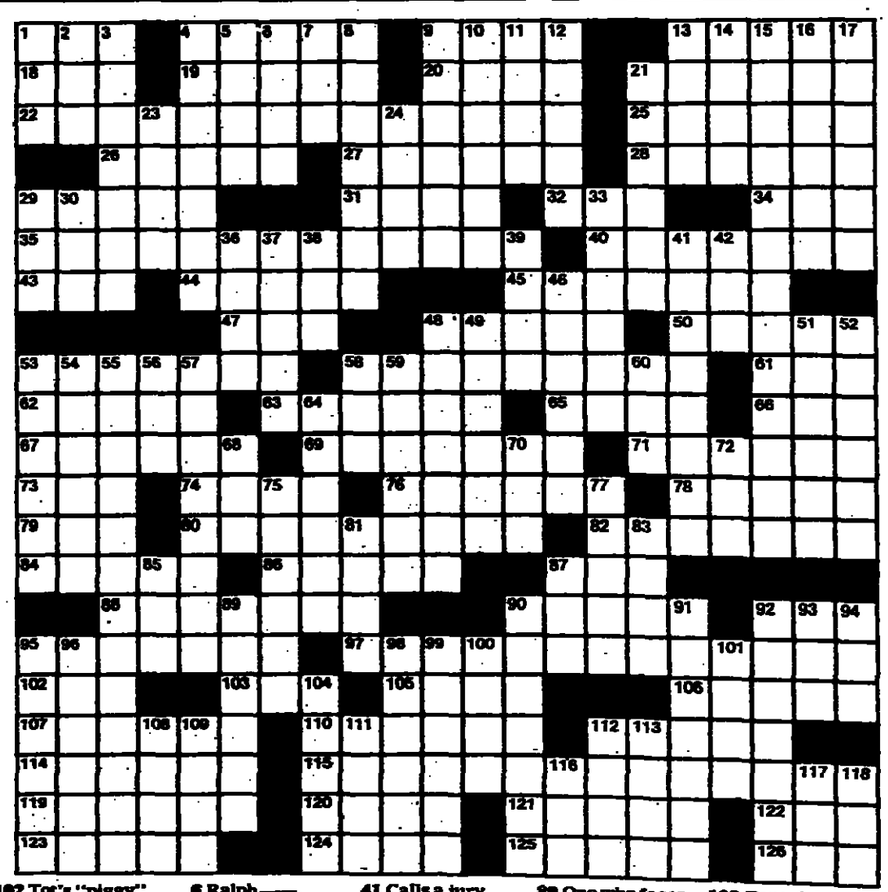
If you look at "Woman of the Year," "Pat and Mike" and the other great Hepburn-Tracy comedies today, you may get the uncomfortable feeling that though they haven't aged, we have — but backward. Our focus is almost exclusively on adolescence.

When, from time to time, we do get post-adolescent actors playing in contemporary equivalents to the man-woman comedies of 30 to 40 years ago, the treatment, more often than not, is adolescent, as in the hugely popular "Romancing the Stone" and "Jewel of the Nile."

Jokes, spectacular scenery and special effects substitute for any real rapport between the men and the women involved. There's neither romantic nor erotic excitement. In each scene of "Romancing the Stone" and "Jewel of the Nile," Michael Douglas and Kathleen Turner, the stars, appear to have been introduced for the first time on the set that morning.

Lady of Light

BY EDWARD MARCHESE/Puzzles Edited by Eugene T. Maleska



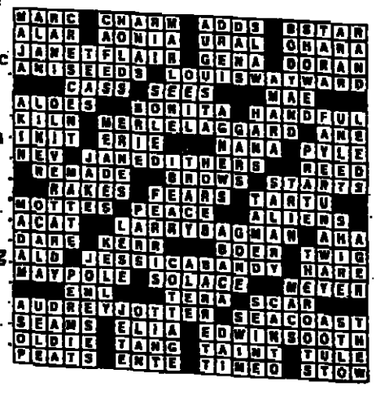
ACROSS

1 Curve part
4 Snoop
9 *Dillon* or Houston
13 Less ruddy
18 Cry of disgust
19 Rounded script
20 *Penumbra*
21 Cactus used as a drug
22 Title of Statue of Liberty poem
25 Female ruffs
26 India's monetary unit
27 Lessens
28 Place between
29 Dutch cheese center
31 Foot: Comb. form
32 "——, Ernest . . .": 1922 song
34 "——nation; under God . . ."
35 Where the statue stands
40 Summarized
43 G.I. dog tags
44 ——vie (brandy)
45 Most favorable
47 W.W. II boat
48 Craze
50 Spectrum producer
53 Unstable
58 With 80 Across, *the statue's* sculptor
61 Nectar collector
62 Love affair
63 Go to class
65 At some other time
66 Printing measures
67 Southwestern oaks
69 Bohemian to an extreme
71 Rubble
73 Mount where Aaron was buried
74 Farrow and Slavenska
76 Oil transport
78 ——Lehmann, memorable soprano
79 John Duncan was one
80 See 58 Across
82 Analyzed
84 "All that is and ——be": Sophocles
86 Restraints
87 School org.
88 Without neckwear
90 Sainted English scholar: 673-735
92 Org. for Miller and Barber
95 Heavenly bodies
97 ". . . my lamp beside ——": Lazarus
102 Tot's "piggy"
103 City SW of Brussels
105 Footnote term
106 Colonist's greeting to an Indian
107 Trumped
110 Infallible adviser
112 Void
114 Reach a goal
115 The statue's other name
119 More penetrating
120 Jointed fencing weapon
121 Express a view
122 Building wing
123 Noble British family
124 Pete Rose's team
125 Japanese alcoholic drinks
126 Shade of blue

DOWN

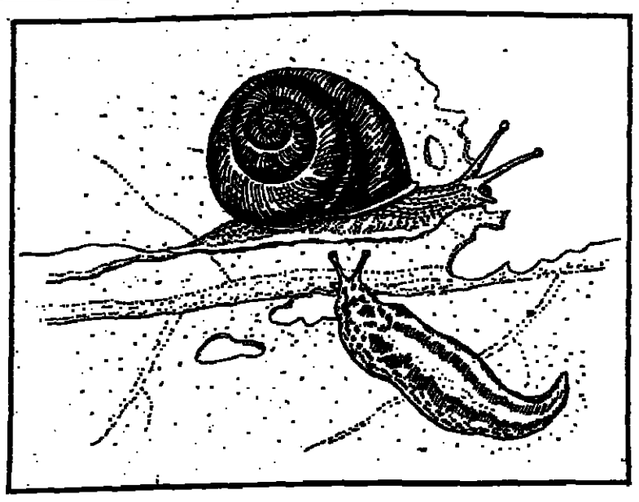
1 Appropriate
2 College cheer
3 Little innocents
4 *Make* ready
5 Schoolboy ——, former Detroit pitcher
6 Ralph ——, 20's leading man
7 Former name of Tokyo
8 Backslide
9 Ancient Jewish stronghold
10 Author of "Emma"
11 Faithful
12 "Jerusalem Delivered" author
13 Hammer part
14 Votes in favor
15 "Our reliance is in the ——": . . . Lincoln
16 For all time, in poesy
17 Slept
21 A—— (deductive)
23 Modigliani's "The Rose ——"
24 Ancient Greek coin
29 —— Stati Uniti
30 Suffix with aster
33 Acquire
36 Ankle bones
37 Spanish dagger, e.g.
38 First name of a Ugandan exile
39 Completed
41 Calls a jury
42 Corn spike
46 Lafitte was one
48 Servants
49 Quantity to be appended
51 Descendant of Shem
52 Bungled, with "up"
53 Jutland seaport
54 Unwrinkled
55 ". . . huddled masses yearning ——": Lazarus
56 Flute: Comb. form
57 Shaker
58 W.W. II plane
59 Olympics heroine: 1984
60 North Atlantic fish
64 These cannot be disputed
68 Pueblo Indian
70 Wedel
72 Long, fluffy scarf
75 Check
77 X follower
81 Sound seeking attention
83 Vic's radio partner
85 Fabulize
87 "——Joey"
89 One who faces the music
90 Spanish dances
91 Auxiliary buildings
92 Large drinking vessels
93 Mawkish drivel
94 Leading Dadaist
95 Ship's planking
96 Decanted
98 Inflamed
99 What an aquafortist does
100 Forceful outburst
101 Arnaz
104 He painted "Maine Coast"
108 Sibelius was one
109 Arden and Queler
111 Lasso
112 SE Nigerian
113 Part of a chromosome
116 W.W. II org.
117 Wawaskeesh
118 Wily

ANSWER TO PREVIOUS PUZZLE



Plants that can beat the heat

GARDENER'S CORNER / Walter Frankl



Snails and slugs will eat most plants. Look for their damage after watering. Their slime trails can help you identify them as the pests.

WE ARE coming to the time when summer gardens reach their full glory, and it is a good time to go around and see what gives you the most pride and what you are lacking. A garden notebook is invaluable for this. Visit your neighbours' gardens and public ones to note what you would like to grow next year. Gardening means always looking ahead. Even in July and August, the hottest months of the Israeli summer, you can have a fresh-looking garden with healthy foliage and a never-ending variety of flowers.

Looking round garden beds and balcony containers, some of you will see empty spaces. It's never too late for ordinary bedding plants, and edibles too can be grown successfully during a period with an average temperature of 30°C.

Pay a visit to your nursery now, and you will see that there are still many annuals, biennials and perennials being offered for the flower garden. I have just visited nurseries in both the Haifa and Jerusalem areas, and found more or less the same seedlings being offered everywhere.

To have a nice garden continuously in late summer, fall and early winter, you must deal with those empty patches. Spread a thin layer of compost or well-rotted cow manure over the ground and dig it in with a garden fork or spade. Then see your nurseryman and choose your favourites from the following:

Cockscomb (*Celosia argentea, kelosia or karbolet tarnegol in Hebrew.*) This annual from the amaranth family is an attractive addition for rockeries, flower beds and balcony containers, especially in a small home garden. Celosia hails from tropical Asia. Its botanical name probably derives from the Greek *"kelos"* – (burnt) in reference to the look of this flower's edges.

Celosia produces either crested (*C. argentea*) or plumed (*C. plumosa*) flower heads, mostly in strong fluorescent shades of red, pink, orange and yellow. All celosias are heat-resistant and, therefore, fit well into the summer garden. This plant is easily grown in a light, rich soil with adequate moisture. *Celosia argentea* is the true cockscomb with fuzzy, curved flower heads on low stems, resembling the combs of some roosters. *Celosia plumosa*, with its elegant foxtail flower heads, grows higher (about 40–50 cm.) and produces a spiky upright effect in a border that is striking in form and colour. I remember a garden in Jerusalem where the bigger celosias remained in bloom for more than 4 months. When you buy and set out the small seedlings, which are being offered now at all of Israel's nurseries, don't be afraid to pinch out their tips. This will hasten development of side shoots and encourage heavier flower production. The longer-stemmed celosias also make long-lasting cut flowers. The dwarf, crested or cockscomb types should grow naturally without having their tips pinched. Most Celosia varieties keep their colours after the flowers dry out, and they may be used in dried bouquets.

Foxtail (*Amaranthus caudatus, yarbus masnīv* or *snav shual* in Hebrew) belongs to the amaranthaceae family of some 800 species, most of which are tropical. This is a widespread summer plant in Israel, and you may be familiar with its bordeaux leaves. Amaranthus is a vigorous grower, sometimes reaching a height of 1½ metres and more. It thrives in heat and full sun, but also does well in half shade, and fits into the flower border as a background plant. In a windy region amaranthus should be staked. Tall, bordeaux amaranthus plants were for many years a decorative focal point in the traffic island of Balfour and Jabotinsky streets in Jerusalem's Talbieh quarter, but unfortunately these decorative summer flowers, which mostly seed themselves, were removed like weeds. A similar fate awaited wild-growing hollyhocks in the same place.

Amaranthus as an edible. Many gardeners who grow foxtails probably don't know about the high protein content of its seed, which was appreciated in ancient times. Flour made from ground amaranthus seed, whole wheat and corn provides a protein complement as nutritious as meat. Amaranthus leaves can also be eaten raw in salads or cooked like spinach. Or serve the stalks of this plant like asparagus.

Amaranthus plants from the nursery are not taller than about 10 cm. Plant them in buckets, large pots or in a flower bed. They require well-drained soil, which has been deeply dug. Like nasturtium, amaranthus will do well and even produce bright colour without additional feedings. Some of these plants flower in red or bronze, and there are even amaranthus varieties with variegated foliage (green, white or yellow spots on a red background). The botanical name derives from the Greek word *"amarantos"* (unfading), a reference to the durability of some species. Another English name is love-lies-bleeding.

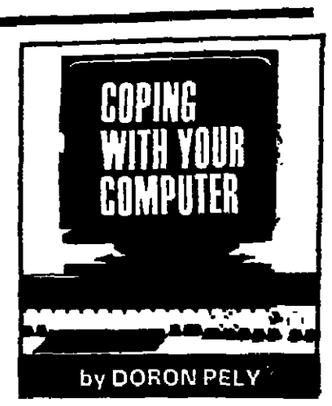
Celosia and amaranthus are not the only seedlings you can buy now at the nursery. There are still petunias and Chinese carnations (buy those which don't show colour yet, because they will bloom later and last longer). There are also portulacas, salvias, alyssums, lobelias and balsaminas. But the most worthwhile ones to buy are young small chrysanthemums, without flower buds, being offered in polystyrene frames. If set out now and in early July, they will grow to maturity during the summer and start flowering in fall, just when other blooms in the garden will be rare. Don't miss the mums – they can also be grown in balcony boxes or other containers.» Planting chrysanthemums means real gardening – always keeping an eye to the future.

Be your own nurseryman Sow stocks (*mantur*), hollyhocks (*amit tarbuit*), wall flowers and sweet william (*tsiporen tsafuf*) in seed boxes for flowering in summer 1987.

Vegetables. Sow runner beans for a late crop and prepare seed boxes (protected by netting against birds) with cabbages, lettuce, brussel sprouts, broccoli, cauliflower and leeks. Set out bulbets for green onions, but if there are none available, select the smallest onions from your greengrocer and sow them in light, sandy soil. They will provide tasty green onions in less than 3 weeks!

Irises. If you haven't thinned out your German irises, do it during July. Dig up any old clumps and use the outside rhizomes for replanting. Discard the middle ones, as well as all rotten parts. Fertilize with some superphosphate and water sparingly. The irises will bloom between March and April next year.

A flood of new words



NEW OWNERS of computers are often overwhelmed by the flood of computer terminology mercilessly flung at them by computer user manuals and computer literature. It's a new language, and if you want to use your computer properly, there's no escape but to familiarize yourself with at least the basic vocabulary. Here are some of the more common computer terms.

Bit: The word stands for binary digit. This is the smallest piece of information in binary code. A bit can be either a binary 1 or a binary 0. This is the basic building block of computers, which operate by sending strings of binary information that mean ON (1) and OFF (0).

Byte: A unit of stored information which is made up of 8 bits. Each character, such as a letter of the alphabet occupies a byte of storage space inside the computer memory. A computer with memory storage of 1,000,000 bytes can store up to that number of characters.

"K": K or Kilo stands for the number 1,024. Since computers use binary numbers, the basic unit of counting is two to the power of 10 which is 1,024. That means that a 64 K-byte computer has 64 × 1,024, or 65,536 bytes of RAM memory.

Hardware: All the machinery that makes up the computer system, including all its external devices, such as a disc drive, is called hardware.

Operating System: This is the master programme which runs the computer and enables the user to operate the machine. Every instruction that the user addresses to the computer, such as an instruction to execute a programme, is translated by the operating system into a set of internal instructions which govern the response of the machine.

Software: Programmes that are an integral part of the computer system, such as the operating system, or programmes that perform specific functions such as arithmetic calculations, sorting, etc.

Firmware: A software programme embedded in a segment of hardware, a combination designed to achieve faster operating speed and better memory space utilization.

Address: The number used to designate a particular memory storage location. It is very much like an address on a mail box, providing a distinct reference point for purposes of depositing or retrieving data.

RAM: The word stands for Random Access Memory. This is essentially an information storage area in the computer where each byte-size location can be reached for depositing or retrieving independently of other bytes. The larger the RAM of a computer, the larger the programmes we can work without requiring an external storage facility.

ROM: The word stands for Read Only Memory and refers to a type of permanent memory storage from which information can only be retrieved. The data contained in ROM memories is permanent and cannot be altered by the user. In a personal computer, the ROM is used to hold the operating system, programming languages and other information that is not erasable by the user.

Programme: A group of instructions, arranged in a specific order and designed to instruct the computer to carry out a sequence of steps. If we want to add numbers, we supply the computer with a programme that contains instructions on what we want to add and, preferably, what we want done with the results.

Buffer: Associated with computers, a buffer means a temporary information storage area. Buffers act as bridges between instruments or activities of differing speeds, or store information that is not immediately required. A printer will use a buffer to accept information from the computer and hold it while the mechanical action of printing takes place. A keyboard buffer will allow the user to punch data faster than the computer can accept it.

Bus: In computer jargon a bus means a medium used to connect the various components of a computer system.

Register: An electronic "holding tank" used to keep tabs on various activities of the computer. One such register contains information that tells the computer which instruction is currently being executed.

CPU: Stands for central processing unit, the electronic circuitry that processes instructions and data. This is actually the heart of the computer.

I/O: Stands for Input/Output, a process by which information is transferred between the CPU and other devices such as a disc drive.

Crash: A term which every computernik soon becomes intimately familiar with, to his or her regret. To crash a computer means to cause it to come to an unplanned stop, before it finishes the job.

A Head Crash refers to a most unfortunate malfunction where there is a physical contact between the READ/WRITE head of a disc drive unit and the fast-spinning disc itself – a contact that spells an unplanned expense for the owner of said unit.

If you have a specific term that you'd like to hear more about, write to me c/o *The Jerusalem Post*, P.O. Box 81, Jerusalem, 91000. Telex 26121 Facsimile 551670.

Missing books



Furs, fins and feathers

by D'vora Ben Shaul

FREQUENTLY, readers write in asking for the name of a good book on dogs, cats, birds and other animals. I am hard put to advise them. For a country that imports so many books of all kinds, and in so many languages, Israel has a surprising dearth of really good books on animal care.

(The lack of information in Hebrew is understandable because there isn't a market in that language large enough to justify either publishing animal-care books or having them translated.)

Although there are many really good books on breeding of canaries, finches, parakeets and even the larger, rarer parrots, mynahs and the like, these books never seem to get to Israel. Here, one usually only finds superficial books, dealing with the real problems on raising and breeding, in pet shops.

Consequently, I advise those readers interested in such books to ask someone in the U.S. or England to go into any large book store and look through the selection offered there. It isn't hard to tell a serious book from a "slick" one and although I have been in Israel too long to know which books are available, I have no doubt they will find what you want.

As for dog books, we are only slightly better off. Most books available are booklets about breeds that really tell you nothing or training manuals that are unsuited to the average Israeli since they feature dogs with large yards to run in, etc.

CAT BOOKS are almost nonexistent here. The booklets which are available deal almost exclusively with house cats that never go outside. Here again, the good books available outside Israel on breeds of cats and instructions on breeding, including good genetic tables, don't get to local bookstores.

There are some really good books on aquaria in the pet shops. Some, particularly those devoted to the breeding of one particular variety of fish, seem mere booklets but actually, they include everything you need to know about breeding that particular fish. Since one generally breeds fish in separate facilites, these books fill the need since they give instructions on everything from water pH (acidity) to amount of daylight to feeding.

A couple of other readers have asked why we don't have a cat fanciers' club or cat shows in Israel. The reason is simple: no one has made the effort to start one! The setting up of such a club is an administrative job and most people don't want to be bothered. The best way to go about it is to register a few people as a non-profit club called in Hebrew an *amuta*. The procedure is simple and instructions are available from the Ministry of the Interior. Although we have no cat stud book in Israel, one could be created just as it was for dogs and Arabian horses. In time, when a proper stud book has been kept for enough generations, it can even be recognized by international clubs. There are enough Siamese, Burmese, Persian and domestic long- and short-haired cats to get enough together for a first "fun show" where they would be judged. In time some of the members could learn enough about cats to be real judges. Cats are shown in a large wire cage, not in a ring like dogs, and this means that participants have the expense of equipping themselves with a proper show cage, but these could be made and are not too expensive.

I have always been sorry that I have never had the time to set up such a club but still hope that someone will do so. Breeding cats is a delightful and interesting pastime and, with pedigreed cats, there is never a problem about what to do with the kittens!

Morning thoughts

RANDOMALIA

Miriam Arad

IT'S WORST in the morning. Say that something very bad has happened to you. You have just learnt that someone you love has been found to suffer from a malignant disease. Or you've had a flaming row with your daughter-in-law, whereupon her husband, your son, has stated in a cold voice that he never wants to see you again. He may not mean what he's said, but it hurts like hell all the same. The thought of it is with you all day. It's there at the back of your mind even when you are busy. Still, you are a rational adult, and somehow, for better or worse, you must cope with it, and you do.

Except in the morning. You wake up – it takes you a moment to return to consciousness, and then wham! It hits you again: he's got cancer. I have an idea it isn't just the returning memory of what has happened that makes these waking moments so bad, it's the rational part of your brain, the "coping" part, has been asleep all night, and needs a while to come to grips with your sorrow again.

"I sleep but my heart waketh," is how the Song of Songs put it.

It's best in the morning too, as every child waking up on the first day of the summer vacation knows. The reason must be the same. "Ahhh," comes the thought as you struggle up from unconsciousness, "Orna is coming home today!" For a minute or two there is nothing but pure joy in your heart, and then reason comes awake and starts asking questions: Will we make it to the airport in time? Will she have changed much in the year she's been away? Will there be a feeling of estrangement at first? Will she like the new rug we bought for her room?

Sometimes your heart is so far ahead of your mind that all you know on waking is: Something good is going to happen today, or something bad. It's a vague, nameless, but all-pervasive feeling. In a case like that you may notice that the mind does not always agree with the heart, and not everything your heart calls good or bad, your mind does too.

You awake, for instance, with a bad-thing-today feeling, and before long your mind catches up and tells you what it is: Gaby is coming to see you this afternoon. Gaby? You are quite fond of Gaby, aren't you? You know you've been looking forward to his visit, so what's all the gloom about? Well, don't ask me. Personally I don't know any Gaby; all I know is that "the heart has its reasons which reason knows nothing of," to quote another authority on the subject. So ask your heart. I should think the best time to attend to its reasons are just those early-morning waking moments before reason has had time to interfere.

Out of the ordinary

MUSIC / Benjamin Bar-Am

PIANO RECITAL by Ivo Pogorelich (Mann Auditorium, Tel Aviv, June 26). Beethoven: "Für Elise"; Sonata No.27 in E minor, Op. 90. Bach: English Suite No.3 in G minor; Chopin: Scherzo No.3 in C sharp minor, Op.39; Schumann: Symphonic Etudes Op.13.

IN TERMS of technique and keyboard control, there indeed may not be many like Ivo Pogorelich. He struck perhaps not a single wrong note during the whole recital. Furthermore, his capability to modulate his tone is unlimited. From the hovering pianissimo to the fortissimo, his performance shines in a multitude of changing colours. So much for the technical facets of his playing.

The interpretative context, however, seems controversial and complex, perhaps as complex as Pogorelich's personality. His interpretations are personal, subjective and unconventional. For this nonconformist only his own inner feeling and perception counts. The first movement of the Beethoven was turned into a personal statement that broke all the rules. Though immensely exciting by itself, it impaired the balance between the movements, and the first movement seemed out of context.

Even more radical was his highly charged Sarabande, which though absorbing also seemed out of place in the sequence of the suite. The C minor Polonaise lost itself strangely in complete darkness and gloom.

Sometimes Pogorelich's subjectiveness leads him to charming enterprises. In the second movement of Beethoven he adhered in a most original way to Beethoven's instruction "not too fast and very tuneful," and the two Scarlatti sonatas (encores) emerged exquisitely: dancing and yet serious and stable.

Schumann's Symphonic Etudes remained, oddly enough, completely outside Pogorelich's world. He ignored not only their monumentality but also seemed to reject their musical message.

To sum up: Pogorelich is undoubtedly an extraordinary musical personality, but he is also still unbalanced and uneven in his accomplishments.

NETHERLANDS CHAMBER CHOIR – John Alldis conducting (Tel Aviv Museum, June 25). Bruckner: Ave Maria; Virga Jesse; Brahms: Schaffe in mir, O Gott, ein rein Herz; Rudolf Escher: Le vrai visage de la paix; Ligeti: Two Phantasien: Hälfte des Lebens; Wenn aus der Ferne; Mahler: Ich bin der Welt abhanden gekommen; Poulenc: Three Chansons françaises; Robert Heppener: Del jubilo del core; Martin: Songs of Ariel.

THAT CHORAL singing can be brought to such perfection is indeed impressive. Throughout the varied and immensely interesting programme we were treated to the most beautiful choral singing, technically accomplished and captivating musically.

Bruckner revealed a caressing refinement of sound, and Brahms a perfect treatment of a most complex polyphony. An unusual experience was Mahler's deeply moving *"Ich bin der Welt abhanden gekommen"* (Ruckert Songs), set originally for voice and orchestra. Clytus Gottwald of the famous Schola Cantorum choir of Stuttgart arranged the song for choir, a cappella, integrating the orchestral part into the choral texture. The sadness, the resignation and the feeling of withdrawal from the world's turmoil that John Alldis elicited from his choristers remains beyond description.

In the two songs by Ligeti (composed in 1982 and 1983) and in the song by the Dutch composer Heppener, *Del jubilo de core* (Joy of Heart), written in 1974, the choir coped with the most difficult examples of contemporary choralism. Again a most remarkable evening with the great Alldis and the miraculous Netherlands Chamber Choir.

A noteworthy performance by the Negev Eshkol Choir, conducted by David Mors, preceeded the performance of our guests from the Netherlands.

CHAMBER MUSIC – Vera Vaidman, violin and Emanuel Krasovsky, piano (Tel Aviv Museum, June 21). Joseph Dorfman: *The Enchanted Klezmer* for unaccompanied violin; Beethoven: Sonata for violin and piano in G Major, Op. 96; Menachem Zur: Sonata for Violin and Piano; Faure: Sonata for Violin and Piano Op.13.

VERA VAIDMAN and Emanuel Krasovsky always introduce us to new and rarely played works. This programme was more than special: two Israeli compositions; Beethoven's last sonata, which is unjustifiedly neglected despite its intimite, rarefied beauty and lack of any virtuoso effect; and a rarely performed Faure sonata with a wealth of sensuous pleasanteries. With each new programme Vaidman and Krasovsky prove their unassailable integrity as musicians and artists. Their performance is not only technically perfect, it is also affectionate, warm and outgoing, sympathetic to both composer and listener.

Dorfman's *The Enchanted Klezmer*, a free improvisation on Jewish, Eastern European motifs, would be perfectly acceptable were it not so long. Despite its length, Vaidman's extremely imaginative treatment of her part, her constant variation of expression, her impeccable virtuoso escapades and the magnificent fullness and warmth of her tone prevailed and saved the work for the composer.

The highlight of the evening was, however, the Beethoven sonata. What a labour of love indeed! Beautifully restrained yet bursting with captivating interpretative devices, Vaidman and Krasovsky revealed in their performance what seemed to be the most noble and introverted parts of Beethoven's nature.

While Dorfman's solo piece was upheld by the virtue of his extraordinary performance, Menachem Zur's sonata could not establish itself convincingly even with a most dedicated and exact rendition.

An oustanding performance of Faure, giving us a wealth of pleasant sounds, harmonies and melodies, all flowing with a feeling of unconcerned ease.

ISRAEL PHILHARMONIC ORCHESTRA – Kurt Masur conducting with The Israel Piano Trio (Alexander Volkov, piano; Menachem Breuer, violin; Marcel Bergman, cello) (Mann Auditorium, Tel Aviv, June 23). Siegfried Matthus: "Die Windsbraut"; Beethoven: Concerto in C major for violin, cello, piano and orchestra, Op.56; Bruckner: Symphony No.3 in D minor.

WITH Kurt Masur, our first guest conductor from East Germany, on the podium, this concert naturally aroused curiosity. Masur is music director of the famed Gewandhaus Orchestra of Leipzig and has already made a name as one of the most sought-after guest conductors in the world.

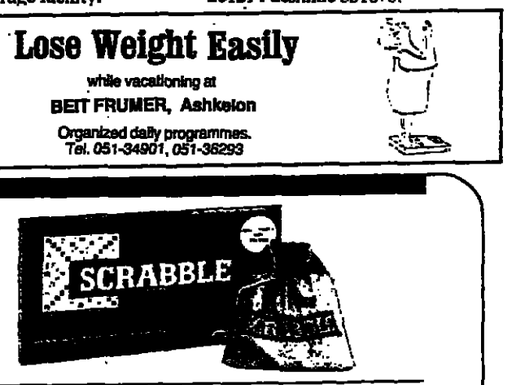
His choice of *Die Windsbraut* ("The Bride of the Wind"), written in 1986 by East Berlin composer Siegfried Matthus, for his opening number was a mistake. Inspired by Max Ernst's surrealistic painting of the same title, this work, written in some kind of neo-classical style, with occasional modernistic effects, sounds like film music. Naively programmatic, it also reminds one of Duka's *L'Apprenti Sorcier*.

Nor did the next item warm our hearts. That Beethoven's Triple Concerto does not rank, to put it mildly, among the master's great compositions, seems beyond dispute. It needs three great performers to make it, let us say, worthwhile. I have no particular complaints against Messrs. Volkov, Breuer and Bergman. They played as good as they could, with fine rapport among themselves and with the conductor. But what they did was on a small scale. They clung desperately to the printed notes. A more uplifting approach can help even not so inspired music.

Finally there was Bruckner's Third. At last we could really become acquainted with our guest. Conducting without a baton, in broad, waving gestures, Masur moved his hands and fingers in small circles. These indications, however, opened up the orchestra, both its sonoral potential and interpretative possibilities. All Bruckner symphonies are sectional and easily fall to pieces. Masur, however, while never quickening the pace, not even in the creeping second movement, never lost the thread. His performance seemed to grow out of the music, step by step, adding the sections, lengthening the line gradually, until finally the movements stood together. He mastered even the problematic last movement, bringing the symphony to a monumental end and proving beyond doubt that we had the opportunity to listen to a great conductor. Let us hope that Masur will be a frequent visitor.

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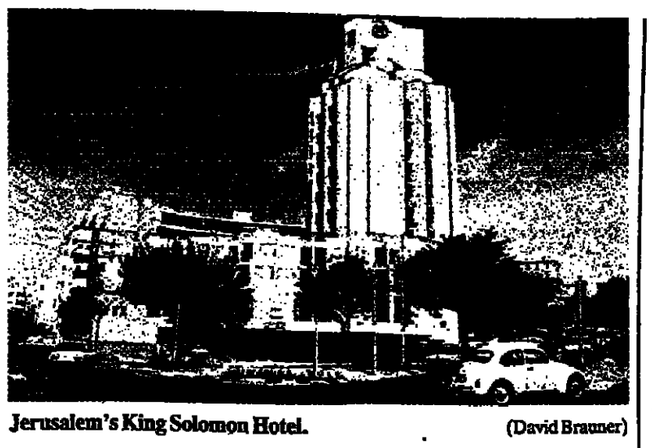
Bail out set for Jerusalem hotel

By GREER FAY CASHMAN

Jerusalem's King Solomon Hotel, which went into receivership several months ago with debts amounting to $12 million, is being bailed out by an American investor who is acquiring a 50 per cent stake in it.

Carmel Levy, a member of the family that developed and until now exclusively owned the King Solomon, would not identify the investor, except to say that he had no previous hotel experience. Nor would he say how much money was involved in the deal.

But Tel Aviv lawyer Ezra Goddard, who has been acting as receiver for the hotel, told *The Jerusalem Post* that the funds were sufficient for him to return management back to the original owners. Levy said most of the hotel's debts were now covered by the new infusion of funds.



Jerusalem's King Solomon Hotel. (David Brauner)

The property has been valued by Bank Leumi, one of the hotel's principal creditors along with the Government Tourism Development Corp., at $20m.

The hotel took longer than usual to complete because the Levy family, who come from Iran, lost much of their money after the overthrow of the Shah in 1979. Building was completed with the aid of loans, and the five-star facility opened for business three years ago.

It was originally under the management of the U.S.-based Sheraton Corp., but the relationship was ended earlier this year. The Levy family entered negotiations with Jerusalem-based Cassouto Hotels Ltd., but they fell through at the last moment. Zion Levy, another member of the family, then said the owners would not seek an outside group to manage the King Solomon.

In the meantime, with this year's sharp drop in tourism from abroad, debts mounted and Zion Levy went to the U.S. in search of investors who could help bail out the hotel. After talks with two potential investors fell through, Goddard was appointed receiver.

According to Carmel Levy, the hotel's ability to turn a profit has been hampered by troubles in obtaining a banquet licence for its 500-seat below-ground-level hall.

U.S. cracking down on insider trading

NEW YORK. – In the next few weeks a number of Wall Street's most famous financial houses will receive some unwelcome visitors – enforcement officers of the Securities and Exchange Commission. The SEC officers will allege that senior members of their staffs have committed crimes which could cost them their jobs, severe jail sentences and hundreds of thousands of dollars in fines as well as heaping shame on the financial services industry.

The SEC crackdown follows major disclosures to the authorities by Dennis B. Levine, 33, a former managing director of stockbrokers and junk bond experts Drexel Burnham Lampert. Levine was arrested on charges that he made $12.6 million illegally by secretly buying and selling shares in 54 companies about which he had insider information, that is information not generally available to the investment community. The SEC has already described it as the biggest case of insider trading in U.S. corporate history.

On July 18, Levine will be sentenced after pleading guilty to just one charge of securities fraud, two charges of tax evasion and one count of perjury. The authorities have apparently decided not to proceed with further charges, in return for receiving co-operation from Levine.

Some of the Street's more established figures do not hide their concern. Guy Wyser-Pratte, director of the risk arbitrage department at Prudential Bache, one of the companies not linked to present scandals, says: "I think there is a concern on Wall Street that this may reach very high places – and we'll soon find out because Levine has lost no time in singing his tune."

"There is a mood of apprehension until the fog lifts on where all these inquiries are going to lead. But I think it is in the interests of the country and of the financial markets that the SEC cleans this all up as soon as possible.

The SEC is focusing much of its attention on risk arbitrageurs – arbs for short – who make money by intense and heavy speculation on takeover activity. The arbs use all the skills of the professional investigator to focus on companies ripe for takeover, using the information procured to buy substantial positions.

When this information is gleaned from poring through public documents or by market analysis, there is no problem. But now risk arbitrage is a billion-dollar business with most firms building up large arbitrage departments and seeking a return on capital of some 40 per cent. Inevitably, as the competition grows more intense, the practices adopted by some arbs has become more suspect, as inside information is traded with lawyers, investment bankers and financial journalists.

"The SEC has made the pursuit of people who violate the insider trading laws a high priority," says Ira Sorkin, head of the New York office of the commission. He says more arrests are likely soon in the wake of the Levine case.

With a 35 per cent increase in its budget since 1981 and 10 per cent of its staff devoted to insider-trading investigations, the SEC is standing to get results. In the past 18 months, there have been 40 successful prosecutions in the New York financial district. Even so, with over $50 billion of securities traded daily, Sorkin believes the SEC has only scratched the surface.

Yet the SEC is gaining valuable support for its activities from the New York Stock Exchange. It has devoted a floor of its building to the operations of Stockwatch, an electronic surveillance system which monitors erratic movements in share prices, and alerts officials to these with a bleep. Immediately on hearing the bleep, officials put a detailed trace on the trades in the stock, and if insider trading is suspected, the SEC is called in.

Even then, the investigators' work is not easy. In the case of Levine, he admitted trading secretly through a Bahamas bank account, using the code name "Diamond." Says Sorkin: "Take as an example a situation where there might be an aberration in the trading of a U.S. security on the floor of the Tokyo Exchange at 3 o'clock in the morning, New York time. We find out through investigation that the orders have been placed through a Hongkong bank, and that the orders were given by a Liechtenstein trust and the principals happened to be three individuals living in Panama who were not U.S. citizens. The problem then is to obtain the co-operation of the various foreign jurisdictions.

"It is very laborious and very time consuming, but the fact of the matter is that we will pursue it – for however long it takes."

Adds John Shad, chairman of the SEC: "There are too many scams and schemes, market manipulators and inside traders, and sales practice abuses by some brokers. But it is becoming increasingly difficult for insider traders to hide.

(London Observer Service)

CLASSIFIED

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DWELLINGS

JERUSALEM

HOUSE-SITTER available with references, from mid-July. Tel. 02-765325.

KIRYAT SHMUEL – Newly furnished, kosher, weekly/monthly, including utilities. Tel. 02-422379.

FRENCH HILL, 3 furnished, telephone, July-August. 2nd floor. Tel. 02-663796.

RAMAT ESHKOL, 5 rooms, fully furnished. $500. Tel. 02-521760, evenings.

TOURIST, Rehavia, equipped. Long/short term. Menahem Realty. Tel. 02-249579.

TEL AVIV

NORTH TEL AVIV apartment rentals. Contact specialists: Inter-Israel. Tel. 03-294141.

LUXURY HOUSING Tel Aviv/Ramat Aviv/Ramat Hasharon/Herzliya Pituah. Canadian Intercontinental. Tel. 03-286222, Maldan.

OTHERS

CAESAREA RENTAL. House, fully furnished/equipped + telephone, for foreign resident. Tel. 03-310479.

PERSONAL

BACHELOR, FAIR hair, 39/5'9", B.S. mechanical engineering (aerospace option), educated in USA, seeks Jewess with Israeli or U.S. citizenship. Mike, Tel. 04-230353, P.O.B. 6907, Mt. Carmel, Haifa.

SITUATIONS VACANT

ENGLISH SPEAKING girl required, Netanya, for help with light housework and childcare, 6 days, from July 21 till mid-August. Good salary. Tel. 03-9224080, not Shabbat.

TOP SALARY to top English typists, shorthand, telex and word processor operators. Immediate employment. Flexible hours. Translators Pool, 100 Ben Yehuda St., Tel Aviv, 9 a.m.-2 p.m. Tel. 03-221214, 02-231648, 04-667267.

Experienced
English Secretary
sought by Hish Steel Works Ltd.
Typing, correspondence, English as mother tongue.
5-day week. Tel. 04-740257.
ad427-08-f24

America-Israel Cultural Foundation
requires
General Manager in Israel

Requirements:
★ At least 5 years management experience
★ Knowledge of the fields of culture and the arts in Israel
★ Fluent English and Hebrew

Written applications with curriculum vitae should be sent to **P.O.B. 4252, Tel Aviv, for the Cultural Foundation, before July 31, 1986.**

Suitable candidates will be invited for interview.
Phone applications will not be answered.
ad435-08-f24

WHAT'S ON

Notices in this feature are charged at NIS 6.90 per line, including VAT. Insertion every day of the month costs NIS 138 per line, including VAT, per month.

JERUSALEM

Museums

ISRAEL MUSEUM. Exhibitions: Joel Kantor, Photographs of Israel ◊ One Hundred Works on Paper, from Museum's collection ◊ "A Man and His Land," Moshe Dayan collection ◊ Permanent Display of Israel Art ◊ News in Antiquities ◊ Nerot Mitzva – ideas for light in Jewish ritual ◊ From the Depths of the Sea – ancient Carmel coast cargoes (Rockefeller) ◊ Indian Paintings from Polsky collections ◊ Big and Small, relative sizes in life, art and children's world ◊ From 1.7: Ketef Hinom, treasure facing Jerusalem walls. ◊ Jewels of Children's Literature ◊ Permanent exhibitions of archeology, Judaica, ethnic art. VISITING HOURS, MAIN MUSEUM: 10-5. At 11: Guided tour of Museum (English).; at 3: Guided tour of the Archeology Galleries (English); at 9: Concert Plus: Israeli music and art in the pre-State period.

EXHIBITIONS
JERUSALEM MAP HOUSE, Old City, 7 Beit El St., 288338, 423547. Roberts, Turner, etc.

L.A. MAYER MEMORIAL INSTITUTE FOR ISLAMIC ART. Visiting hours: Sun.-Thurs. 10-1; 3:30-6. Fri. closed. Sat. and holiday eve 10-1. 2 Hapalmach St., Tel. 02-661291/2. Bus No. 15.

Conducted tours

HADASSAH – Hourly tours of the Chagall Windows at Kiryat Hadassah on the half hour. ★ Information, reservations: 02-416333, 02-446271.

HEBREW UNIVERSITY
1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus. Buses 9, 28, 24 and 16.
2. Mount Scopus tours 11 a.m. from the Bronfman Reception Centre, Sherman Building. Buses 9, 28, 4a, 26 and 23 to the first underground stop. Further details: Tel. 02-882819.

AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – 8 Alkalai Street, Jerusalem. Tel. 02-699222.
ORT. To visit our technological High Schools call Jerusalem 533141; Tel Aviv 396171, 233231, 240529; Netanya 33744.

AMIT WOMEN. (Formerly American Mizrachi Women). Free Morning Tours – 8 Alkalai Street, Jerusalem. Tel. 02-699222.
ORT. To visit our technological High Schools call Jerusalem 533141; Tel Aviv 396171, 233231, 240529; Netanya 33744.

Information Centres

UJA INFORMATION CENTRE, 1 Ibn Gabirol St., Rehavia, Jerusalem. Features TV news programmes from the U.S., continual A.P. News teletext, videotapes on UJA (United Jewish Appeal) sponsored programmes in Israel. Open Sunday-Thursday, 3:00-7:00 p.m. For more information call 02-246465, 02-240795.

TEL AVIV

Museums

TEL AVIV MUSEUM. Exhibitions: Edward Munch, prints: Death, Love and Anxiety. Print Into Print, works by six Israeli artists. Frank Stella – Had Gadya – a series of large prints by Frank Stella, after El Lissitzky's gouaches ◊ The Want of Matter – a quality in Israeli art. 21 elite Israeli artists show their work of the last 25 years. VISITING HOURS TODAY: 10 a.m.-2 p.m.; 5-9 p.m. **Helena Rubinstein Pavilion. Visiting Hours:** Closed for installation of new exhibition.

Conducted Tours

AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – Tel Aviv, Tel. 220187, 233154.
WIZO. To visit our projects call Tel Aviv, 232939; Jerusalem, 228060; Haifa, 88817.
PIONEER WOMEN – NA'AMAT. Morning tours. Tel Aviv, 210791, Jerusalem 244878.
HADASSAH VISITORS DEPT. Astor Hotel, Room 01. 105 Hayarkon St., Tel. 03-223141.

HAIFA

Museums

HAIFA MUSEUM, 28 Shabbtai Levy St. Tel. 04-523255. Exhibitions: **Modern Art** – The Hot and the Cool in Israel Art. **Ancient Art** – Jewish coins of the Second Temple Period, Egyptian textiles, terracotta figurines, Shikmona finds. **Music and Ethnology** – Jewish costumes; 20 porcelain pieces from the Fela and Natan Celnik collection. U.S.A. **Open:** Sun.-Thur. and Sat. 10-1; Tue. and Sat. also 6-9. **Ticket includes admission to National Maritime and Japanese Museums.**
WHAT'S ON IN HAIFA, dial 04-640840.

GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Kupat Holim Clalit, Romema, 523191; Balsam, Salah Eddin, 272315; Shu'afat, Shu'afat Road, 810106; Dar Aldawa, Herod's Gate, 282058.
Tel Aviv: Ahva 166 Dizengoff, 224717; Briut, 28 Kirig George, 283731.
Netanya: Kupat Holim Clalit, 31 Brodetzky, 91123.
Haifa: Yavne, 7 Ibn Sina, 672288.

DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics, E.N.T.), Hadassa Ein Karem (internal, surgery, orthopedics, ophthalmology), Misgav Ladach (obstetrics).

Tel Aviv: Rokah (pediatrics, internal, surgery).
Netanya: Laniado

FIRST AID 101

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 41333	Jerusalem *523133
Ashkelon 23333	Kiryat 844442
Bat Yam *5511111	Kiryat Shmona *44334
Beersheba 74767	Nahariya *923333
Carmiel *988555	Netanya *23333
Dan Region *781111	Petah Tikva *9231111
Eilat 7233	Rehovot *451333
Hadera 22333	Rishon LeZion 942333
Haifa *512233	Safed 30333
Hatzor 36333	Tel Aviv *240111
Holon 803133	Tiberias *90111

* Mobile Intensive Care Unit (MICU) service in the area, around the clock.

"Eran" – Emotional First Aid, Tel: Jerusalem 227171, Tel Aviv 261111/2, Haifa 672222, Beersheba 418111, Netanya 35316.
Rape Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem – 245554, and Haifa 88791.

Jerusalem Institute for Drug Problems. Tel. 663828, 663902, 14 Bethlehem Rd.
The National Poison Control Centre at Rambam Hospital, phone (04)529205, for emergency calls, 24 hours a day, for information in case of poisoning.
Kupat Holim Information Centre Tel. 03-433300, 433500 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

POLICE 100

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 4444.

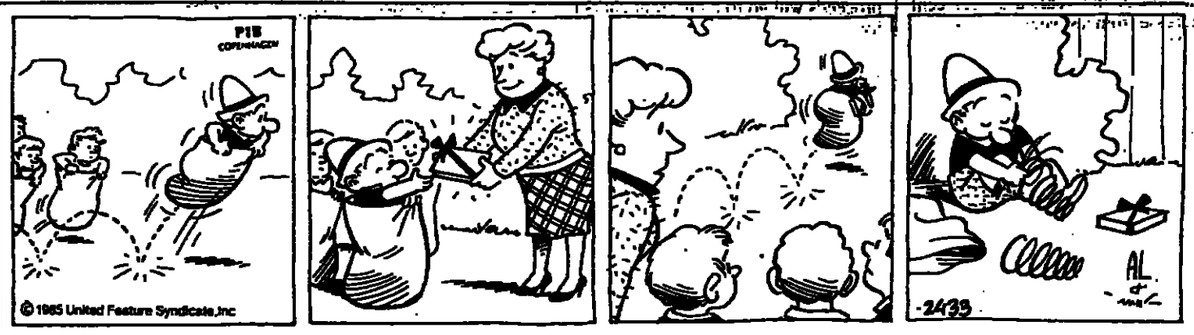
FIRE 102

In emergencies dial 102. Otherwise, number of your local station is in the front of the phone directory.

FLIGHTS

24-Hours Flight Information Service: Call 03-9712484 (multi-line). Arrivals Only (Taped Message) 03-381111 (20 lines)

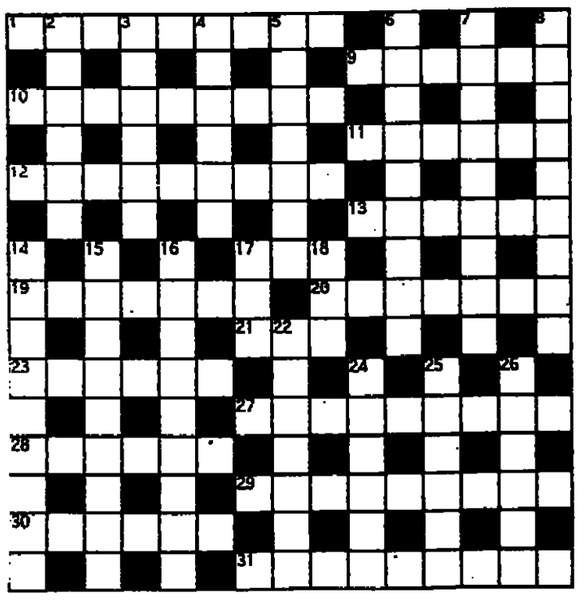
FERDNAND



ONE-ON-ONE CROSSWORD

ACROSS
1 He's set right about kitchen furniture (9)
9 Romeo's disposition could be melancholy (6)
10 Coppers, old coppers, going around off-colour and drawn (9)
11 Creates a practice within the Civil Service (6)
12 Reckless speed, crazy speed (9)
13 A non-drinker cut by doctors? Not any more! (2,4)
17 Skill at accommodating the monarch (5)
19 Make believe (7)
20 The listener's trouble (7)
21 Age one maybe (3)
23 A few didn't pay, that's admitted (6)
27 Repeatedly played the host when retired (9)
28 May 2 dance (3-3)
29 A face isn't made up to be charming (9)
30 Not all of the apprentices can draw (6)
31 Handing over a translation (9)

DOWN
2 Figure one should follow one (6)
3 Directions given to alter price before the end of June (6)
4 With American backing, many try being oppressive (6)
5 The builder's English clerk (7)
6 Where there's some order in retreat (9)
7 Spring spirit observed in game (9)
8 Blushing planter—quite a dog! (3,6)
14 Slightly injured, so wouldn't compete (9)
15 Not recognised under the new title? (9)
16 It's clear, even very clear, this application (9)
17 Took some food wrapped up in a tea-towel (3)
18 "X" has to catch up (3)
22 Possibly getting a peer to ac (7)
24 Found and copied (6)
25 A girl entering public transport colours (6)
26 Foreign money not returned but forwarded (4,2)



TODAY'S ENTERTAINMENT

ON THE AIR

Voice of Music

6.02 Morning Melodies
7.07 Vivaldi: Flute Concerto (Galway); Goldberg: Trio Sonata
7.30 Mendelssohn: Youth Symphony No.8 (Masur); Fr. Benda: Flute Concerto (Rampal); August Kleghardt: Wind Quintet; Joplin: 2 Rags; Stravinsky: "Petrushka" (IPO/Bernstein)
9.30 Enescu: Romanian Poem, Op.1 (Conti); Liszt: Piano Concerto No.2 (Brendel, Haitink); Paganini: Concert Trio for Violin, Guitar and Cello; Saint-Saens: Violin Concerto No.3 (Perlman, Barenboim); Lalo: Ballet Suite
12.05 Youth Choir from Kiel, Germany – works by Hamilius, Schuetz, Mozart, Bach, Mendelssohn and others
13.00 Handel: Organ Concerto in F major (Malcolm); Playel: Sinfonia Concertante No.5; Mozart: Motet, K.165 (Victoria de Los Angeles); Weber: Konzertstueck, Op.79 (Brendel, Abbado); Schumann: Violin Sonata, Op.105 (Luka); Tchaikovsky: Suite from "Swan Lake" (Philadelphia/Muti)
15.05 Sporck: "Assimilation," for 2 Flutes; Bernard Parmegiani: "Metamorphose (Electronic Tape)
16.00 Reger: Suite in Old Style; Kodaly: Missa Brevis; Beethoven: Cello Sonata, Op.5, No.2 (Yo Yo Ma, Ax); Bach: Chromatic Fantasy and Fugue (Tureck); Haydn: Concerto for Violin, Harpsichord and Orchestra; Spohr: Symphony No.3
18.30 Mozart: Symphony No.25, K. 183 (Bertini); Yehuda Wohl: Rondo Patetico (JSO/Robertson); Lutoslavski: Paganini Variations (Hexter, JSO/Robertson); Mozart: Symphony No.40 (Bertini)
20.05 Anon.: French Suite; Rameau: Suite
20.30 The Radio Frankfurt Symphony Orchestra, Eliyahu Inbal conducting – Xenakis: Breath; Reger: Hymn to Love; Penderecki: Viola Concerto; Bruckner: Symphony No.3
22.30 Folkmusic from Mexico
23.00 Continuous Music

First Programme

6.03 Programmes for Olim
7.30 Favourite Old Songs
8.05 Compass – with Benny Handel
9.05 Hebrew songs
9.30 Encounter – live family magazine
10.30 Programme in Easy Hebrew
11.10 Hebrew songs
11.30 Education for all
12.05 Song and Tune
13.00 News in English
13.30 News in French
14.05 Children's programmes
15.55 Notes on a New Book
16.05 Radio Drama
17.20 Everyman's University
18.05 Jewish Traditions
18.50 Bible Reading
19.05 Reflections on the Portion of the Week
19.30 Programmes for Olim
22.05 Night Connection

Second Programme

6.12 Gymnastics
6.30 Editorial Review
6.53 Green Light – drivers' corner
7.00 This Morning – news magazine
8.05 Drive Safely
9.05 House Call – with Rivka Michaeli
10.05 All Shades of the Network – morning magazine
12.10 Open Line – news and music
13.00 Midday – news commentary, music
14.05 Matters of Interest – with Gabi Gazit
15.10 Magic Moments
16.05 Made in Israel – Hebrew song requests
17.10 Economics Magazine
18.05 New Hebrew Words (repeat)
18.45 Today in Sport
19.05 Today – radio newsreel
19.35 Law and Justice Magazine
20.05 Cantorial Hit Parade
22.05 Jazz Corner
23.05 Farewell to the Rifles
00.10 Hebrew songs

Army

6.05 University on the Air
6.30 Open Your Eyes – songs, information
7.07 "707" – with Alex Aviaky
8.05 Good Morning Israel
9.05 In the Morning – with Eli Yisraeli
10.05 Coffee Break
11.05 Right Now – with Rafi Reshef
13.05 Daily Hit Parade
15.05 Daily Meeting – with Orly Yaniv
16.05 Four in the Afternoon
17.00 Evening Newsreel
17.30 Foreign Affairs Magazine
17.50 Sports Magazine
18.05 Interview with Aluf Amir Drori
19.05 Songs
20.05 Music – blues
21.00 Mabat – TV Newsreel
21.30 University on the Air (repeat)
22.05 Popular songs
23.05 Night, Night – with Yoav Kutner
00.05 Night Birds – songs, chat with Gilat Moav

TELEVISION

EDUCATIONAL:
8.40 School Broadcasts 14.00 Fistuk's House 14.25 Agriculture in India 14.45 Treasures of the Ocean 15.00 Making Magic 15.25 No Secrets 15.50 100 Famous Paintings 16.00 Alexander Dumas Turning Point 17.00 A New Evening – live magazine
CHILDREN'S PROGRAMMES:
17.30 Alice in Wonderland. Part 19 of a 26-part animated serial based on the book by Lewis Carroll
18.00 Problems of High School Children
ARABIC-LANGUAGE programmes:
18.30 News roundup
18.32 Programme Trailer
18.35 Sports
19.30 News
HEBREW PROGRAMMES resume at 20.00 with a news roundup
20.02 Fame: Reflections
20.50 Beauty Spot – tips on hikes and trips
21.00 Mabat Newsreel
21.30 No Place like Home. British comedy series starring William Gaunt and Patricia Garwood
22.00 This is the Time
22.50 Dempsey and Makepeace: The Hit
23.40 News
JORDAN TV (unofficial)
17.30 Cartoons 18.00 French Hour 19.30 News in Hebrew 20.00 News in Arabic 20.30 To be announced 21.10 The Black Tower 22.00 News in English 22.20 Murder, She Wrote
MIDDLE EAST TV (from T.A north):
13.30 Woody Woodpecker 14.00 700 Club 14.30 Shape-Up 15.00 Afternoon Movie 16.30 Spiderman 17.00 Super Book 17.30 Muppets 18.00 Happy Days 18.30 Laverne & Shirley 19.00 News 20.00 Magnum P.I. 21.00 Sports 23.00 700 Club

CINEMA

JERUSALEM 4:30, 7:30, 9:30
Eden: Santa Claus – The Movie; **Edison:** Runaway Train; **Habira:** Youngblood; **Kfir:** 3 Men and a Cradle; **Mitchell:** Kiss of the Spiderwoman 7:15, 9:30; **Orgil:** Fantasia 4:30, 7:15, 9:30; **Orion Or 1:** Silverado 4, 6:45, 9:15; Miami Supercop 10:30 a.m., 12:30 p.m.; **Orion Or 3:** Iron Eagle 4:30, 7, 9:30; Ghost Busters 10:30 a.m., 12:30 p.m.; **Orna:** Body Heat 4:30, 7, 9:15; **Rom:** After Hours; **Semadar:** Prizzi's Honour 7:15, 9:15; **Binyenei Ha'uma:** Out of Africa 6:15, 9; 6; **Cinemateque:** Jerusalem Film Festival; **Beit Agron:** Life of Brian 6; Indiana Jones and the Temple of Doom 7:45; Taxi Driver 10; Everything You Always Wanted to Know About Sex, midnight

TEL AVIV 5, 7:30, 9:30
Allenby: Last Tango in Paris; **Beit Leissin:** Fandango 11:15 p.m.; **Ben-Yehuda:** Runaway Train 5, 7:15, 9:30; **Chen 1:** Spies Like Us 5, 7:20, 9:40; **Chen 2:** European Vacation 5, 7:20, 9:45; **Chen 3:** Stitches 5, 7:30, 9:45; **Chen 4:** Journey of Natty Gann 5, 7:25, 9:40; Monty Python – Life in the Hollywood Bowl 10:30 a.m., 1:30 p.m.; **Chen 5:** Agnes of God 10:30, 1:30, 5, 7:30, 9:45; **Cinema One:** P.O.W. The Escape; **Cinema Two:** Camorra; **Dekal:** Berlin Affair 7:15, 9:30; **Dizengoff 1:** Kiss of the Spider Woman 11 a.m., 1:30, 4:45, 7:20, 9:45; **Dizengoff 2:** 3 Hommes et un Couffin 11 a.m., 1:30, 4:45, 7:20, 9:45; **Dizengoff 3:** Ran 11 a.m., 2, 6:30, 9:30; **Drive-In:** 9½ Weeks 8, 10; Sex film, 12 midnight; **Esther:** P.R.O.F.S. 5, 7:30, 9:40; **Gat:** After Hours 5, 7:15, 9:30; **Gordon:** The Official Story 5, 7:15, 9:30; **Hod:** Youngblood; **Lev I:** Creator 1:35, 5, 7:40, 9:50; **Lev II:** Wildcats 1:45, 5, 7:30, 9:40; **Limor Hamehudash:** 9½ Weeks 4:30, 7:15, 9:30; **Maxim:** End of Innocence 5, 7:35, 9:30; **Mograbi:** Closed for Renovations; **Orly:** The Bostonians 5, 7:15, 9:30; **Paris:** Monty Python, The Life of Brian 12, 2, 4, 7, 9:30; **Peer:** Santa Claus – The Movie 4:30, 7:35, 9:30; **Shahaf:** Out of Africa 5:45, 9:15; **Studio:** Closed for Renovations; **Tamuz:** Body Heat 7:15, 9:30; **Tchelet:** Love is Ever Young 5, 7:30, 9:40; **Tel Aviv:** Cobra 5, 7:15, 9:30; **Tel Aviv Museum:** Shoah part I, 1 p.m.; part II; 6:30 p.m.; **Zafon:** Ruthless Romance 4, 6:45, 9:30; **Israel Cinematheque:** Tom Jones 7; Message from the Future 9:30

HAIFA 4:30, 7, 9:15
Amphitheatre: P.R.O.F.S.; **Armon:** Rebel Without a Cause; **Atzmon:** Santa Claus – The Movie; **Chen:** Iron Eagle; **Keren Or Hamehudash:** When Father Was Away on Business 4, 6:30, 9; **Orah:** 9½ Weeks; **Orly:** When Father Was Away on Business 6:30, 9; **Peer:** European Vacation; **Ron:** Cobra; **Shavit:** Kiss of the Spiderwoman 7, 9:15; **Rav-Gat 1:** After Hours; **Rav-Gat 2:** Agnes of God.

RAMAT GAN
Armon: Salvador 7, 9:30 **Lily:** Santa Claus – The Movie 4, 6, 8; **Oasis:** P.R.O.F.S. 5, 7:30, 9:30 **Ordea:** Youngblood 5, 7:15, 9:30; **Ramat Gan:** Target 7:15, 9:30; **Rav-Gan 1:** After Hours 5, 7:30, 9:40 **Rav-Gan 2:** When Father Was Away on Business 5, 6:50, 9:30 **Rav-Gan 3:** Choose Me 5, 7:30, 9:40; **Rav-Gan 4:** Official Story 7:20, 9:45; Lady and the Tramp 5

HERZLIYA
David: Santa Claus – The Movie 5, 7:15, 9:30; **Hechal:** P.O.W. The Escape 5, 7, 9; **New Tiferet:** Silverado 4:30, 7:15, 9:30; **Daniel Hotel Auditorium:** Back to the Future 7:15, 9:30

HOLON
Migdal: The Goonies 5, 7:30, 9:30; **Savoy:** Cobra 5, 7:30, 9:30; **Armon Hamehudash:** Santa Claus – The Movie 5, 7:15, 9:30;

BAT YAM
Atzmaut: Cobra 5, 7:30, 9:30

GIVATAYIM
Hadar: Cobra 5, 7:30, 9:30

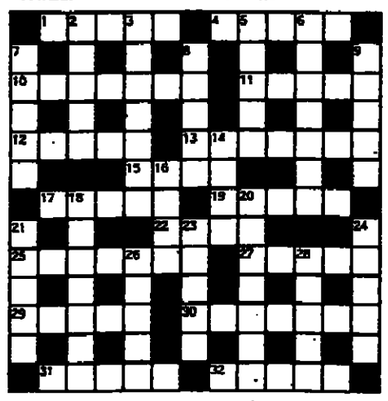
RAMAT HASHARON
Kochav: Rocky II 7; Jet Age 9:30.

PETAH TIKVA
G.G. Hechal 1: Cobra 5, 7:15, 9:30; **G.G. Hechal 2:** Jewel of the Nile 5, 7:15, 9:30; **G.G. Hechal 3:** 3 Men and a Cradle 5, 7:15, 9:30

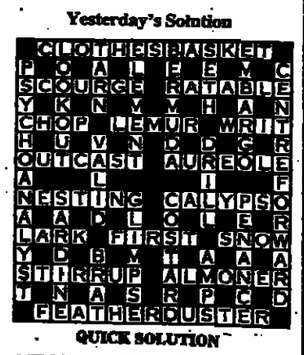
QUICK CROSSWORD

ACROSS
1 Artful
4 Moves
10 Break
11 Protuberance
12 Change
13 Spire
15 State
17 Fruit
19 Consumed
22 Require
25 Intimate
27 Uncertainty
29 Automaton
30 Repeat
31 Core
32 Very pale

DOWN
2 Nautical term
3 Normal
5 List
6 Deteriorate
7 Attempt
8 Ordinary language
9 Drive off
14 Source of wood
16 Opening
18 Supple
20 Domicile
21 Surplus
23 Weird
24 Precipitous
26 Player
28 Custom



Yesterday's Solution



QUICK SOLUTION

ACROSS: 1 Colon, 4 De Falla, 8 Gainsay, 9 Recur, 10 Alder, 11 Enhance, 13 Iona, 15 Easels, 17 Mascot, 20 Leer, 22 Harpoon, 24 Dodge, 26 Apart, 27 Amorous, 28 Deserve, 29 Stern. **DOWN:** 1 Cognate, 2 Laird, 3 Nostril, 4 Dryden, 5 Firth, 6 Laconic, 7 Agree, 12 Name, 14 Oslo, 16 Surpass, 18 Arduous, 19 Treason, 21 Enrage, 22 Hoard, 23 Otter, 25 Drone.

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Dormant volcanoes

"The main sources of finance for the business sector in Israel come from credits advanced by the banking sector...Any slowdown in the level of economic activity therefore has an immediate effect on the banking system...Furthermore, because of the restrictive budgetary policy and the new approach of the government regarding its responsibilities over sectors such as non-profit organizations, large firms and government-owned companies, the banking system was forced to reassess the risks inherent in the credit given to entities that were considered in the past as safe."

So begins the opening paragraph of chapter three of the annual review of the banking system, which will be issued by the Bank of Israel later this week. The central bank is giving previews of the goodies by selective advance releases of the material the report contains.

While, from the viewpoint of the layman, there are few books more boring than the summary of Israel's banks, their lending, deposits and so on, it, in fact, demands the attention of every intelligent citizen.

It behoves everybody to try and grasp the full import of that one paragraph, indeed even of the opening sentence. At one fell swoop the secret of half the problems of the economy and 85 per cent of what's wrong with the banking system is revealed: The primary source of money is the banks. Not like other countries where firms raise capital through the bond or share markets. There are other countries like West Germany where the banks are also dominant, but Israel has the extra "advantage" that its banks act as conduits for the government, with the responsibility and risk remaining their own.

The government's control of the economy, which extends to all sectors, means that if it seeks to cut or expand its budget, relax or tighten monetary policy, or even change the rules of export-support programmes, the banks pick up the rebound effect from the firms. The new element the quote speaks of is the fact that the government no longer automatically stands behind even its own outfits.

Not only have the banks discovered that, if real trouble arose, the government cannot be relied upon to step in and save everyone's skin, but the bank's have come to realize that even the government's own flesh and blood can be left to freeze to death in the new climate of austerity.

There are two clear spin-offs from this new environment. One is that Israeli banking has discovered that small consumer loans can be a profitable business. As the First International's new move in this direction makes clear, the old paternalist approach of the socialist leadership, which said that the public must save and hand over its money to the government, is dying. Secondly, the banks for the first time in their history, have to look for customers to lend to, with most of industry and the public sector in a state of uncreditworthiness bordering on insolvency.

That may be nice for those who want to free the economy, in particular of the right of people to spend the money they earn or can afford to repay.

What nobody will find so pleasant is the prospect of the problems of the major borrowers re-emerging down the road. Right now, the numerous salvation schemes in effect for the most troubled sectors of the economy have taken the pressure off. It is unlikely, to say the least, that they will all succeed.

The banking system's 76 largest borrowers (0.6 per cent of the total) owed NIS 7.3 billion at the end of 1985 (34 per cent of total lending and an average of NIS 96M. apiece). That is not so terrible in itself. What makes it disastrous is that more of them have no other sources of finance and that almost all of them are overborrowed, undercapitalized and have no useful collateral to use to improve their liquidity. They threaten the economy like a range of volcanoes, and they are far from being extinct.

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$105m. bond offer completed by Koor

By PINHAS LANDAU
Post Finance Reporter

Koor Industries Ltd. yesterday announced the successful completion of the largest capital issue ever in the U.S. by an Israeli company. The Histadrut-owned concern raised $105 million through a 10-year, 12 per cent bond issue underwritten by Drexel Burnham Lambert and Bear Stearns, two of the best-known investment houses on Wall Street.

Koor said the issue was sold mainly to institutional investors and may in fact be increased by a further $10m. if the demand justifies such a move.

Until now, most Israeli companies using the U.S. markets as a source of capital have sought equity, and the majority have been high-tech firms who floated their shares in the over-the-counter market. Some companies, however, have raised loan capital. American-Israeli Paper Mills Ltd., for example, issued convertible bonds several years ago. However, the company's shares had already been trading on the American Stock Exchange for many years prior to the issue.

Koor shares are not traded in the U.S., and only a tiny part of the giant conglomerate's stock is traded on the Tel Aviv Stock Exchange. The company noted that it had been forced to turn to the U.S., since neither the capital market nor the banking system in Israel could provide it with sufficient capital to meet its needs. The Koor Group's annual turnover is some $ 2 billion, making it Israel's largest company.

The issue required the authorization of a host of agencies and regulatory bodies in Israel and had to meet the much more stringent American requirements regarding disclosure and reporting of financial and other data. However, the company put up no specific collateral or lien on assets for the bonds, putting them in the class of high-yielding, high-risk issues popularly known as "junk bonds."

BUSINESS BRIEFS

Meir resigns from Mizrahi board

Aharon Meir has resigned from the board of directors of United Mizrahi Bank, the board announced in a one-sentence statement yesterday.

Meir, former general manager of the bank, was forced to give up both posts at the behest of the Bejski Commission. The Commission had called for the resignations of the top officials of Israel's four biggest banks for their part in the bank shares regulation.

The board was also expected to discuss a successor to Meir for general manager, but as of late last night no announcement had been made. Meir still holds positions in several Bank Mizrahi subsidiaries, despite the commission's call for him to give up all his banking posts.

Earlier this month, the Justice Ministry announced it would charge Meir with committing criminal offences in the bank-share regulation.

THE COST-OF-LIVING INCREASE granted to workers for June will come to 5.8 per cent, although the increase after taxes will amount to only 4.2 per cent because the Treasury did not adjust tax rates this month.

The finance and other ministries concerned with the economy are worried about the side effects of wage hikes granted outside of the framework of the national wage agreements. A committee following up on the progress of the economic stabilization programme was told yesterday that the cost-of-living increase for June is likely to bring the inflation rate to 4.5 per cent a month or higher.

BANK LEUMI TRUST COMPANY of New York has opened a Loan Production office in Roseland, the first office of the Bank Leumi Group to locate in New Jersey. Philip Ward, a New Jersey banker, has been named president of the Leumi New Jersey LPO Corp.

The bank's objective is to serve the credit requirements of the huge middle market group. "We are looking for companies with annual sales between $2 million and $100m. which are growing, but not yet too large to benefit from a personal relationship with an experienced banker," said David Novick, president of Bank Leumi Trust Company.

Bank Leumi Trust Company, with $3 billion in assets, is the largest direct subsidiary of the Bank Leumi Group.

EICHUT LTD., a Haifa-based maker of electronic equipment, is hiring workers for an electronic components plant recently completed in the industrial zone of Afula. Eichut says it hopes eventually to take on as many as 80 employees.



Harry Oppenheimer

Israeli traders aim to boost purchases of rough diamonds

By MICHAL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. – The heads of the Israel Diamond Exchange will try to persuade Harry Oppenheimer, of the World Diamond Syndicate, to increase the syndicate's sales of rough diamonds to Israel to 50 per cent of its total, sources told *The Jerusalem Post* yesterday.

Oppenheimer is due to arrive here today for the dedication of the Harry Oppenheimer Diamond Museum at the Ramat Gan Diamond Bourse. In addition, the 23rd World Diamond Congress opens in Jerusalem this morning with an expected attendance of 540.

Israel cuts 50 per cent of the world's rough diamonds, but its diamond allocation from the syndicate is only one-third, forcing Israel to buy the rest of the stones from other organizations at a higher price, Diamond Bourse president Moshe Schnitzer said at a press conference yesterday.

It is hoped that Oppenheimer's visit here, as well as his scheduled meetings with President Herzog and Prime Minister Peres, will strengthen the ties between the World Diamond Syndicate and Israel.

"The Israeli diamond industry was the first in the world to overcome the depression in the industry, which began in the early '80s, and has become a leading force in the world diamond industry," Schnitzer noted.

During the crisis, Schnitzer said, diamond centres in Belgium, India and elsewhere in the world suffered badly, leaving Israeli producers with 70 per cent of the world market for large stones.

Israel's diamond exports this year have so far reached $801 million and are expected to reach $1.5 billion by the end of the year, a 38 per cent increase from last year.

Opec parley likely to end without accord

BRIONI, Yugoslavia (AP). – Opec leaders, bogged down in a bitter dispute over how to fine-tune their oil production, appeared yesterday to have nearly given up seeking a unanimous accord.

Sources at the conference on this northern Adriatic island said the best the Organization of Petroleum Exporting Countries could salvage was a majority deal on sharing production amongst its 13 members. Even that was far from assured as the conference entered its fifth day.

Some officials said failure to agree unanimously would not prevent Opec from succeeding in pushing oil prices, higher, although any increase would be gradual and might not begin until autumn.

"As long as we have Saudi Arabia, Kuwait, the [United Arab] Emirates and Venezuela in the deal, it will work," said one source, speaking on condition of anonymity. Those four countries account for nearly half of Opec's output.

Iran, Libya and Algeria were holding out for drastic cuts in output, while the others favoured a more moderate plan aimed at preventing a major erosion of the cartel's market share. The majority want to limit Opec's production to 17.4 million for the year's final three months. Current output is about 19 million a day.

Algeria's oil minister, Belkacem Nabi, left the conference on Saturday evening, saying he saw no chance of reaching a meaningful agreement. Some of his delegation, however, stayed to continue in the talks.

A major stumbling block yesterday was agreeing how to split up an overall Opec production total. Past efforts to unify the cartel's production policy have foundered on the sensitive issue of quotas.

In Washington, Saudi Oil Minister Sheikh Ahmed Zaki Yamani said there were "strong indications" that oil producers that do not belong to Opec would cooperate with the cartel to push oil prices to the $17-to-$19-a-barrel level it is aiming for.

'BAGMEN' – The Supersol chain of supermarkets has started printing reproductions of famous Israeli painters on plastic shopping bags. The money raised from selling the bags, which will cost NIS 1 each, will go to charity. Each month they will print different picture and each month the proceeds will go to a different charity.

Dollar's rise peters out

The U.S. dollar reversed its upward course of late and closed lower against major currencies last week, losing 2.6 per cent against the Deutschemark, 2.9 per cent against the Swiss franc, 2.5 per cent against the pound sterling and 1.7 per cent against the yen. Most of the decline occurred on Monday, with the dollar virtually stagnant the rest of the week.

The inability of the dollar to extend its technical rally beyond the 2.27-mark level was cause for the profit-taking last Monday that snowballed into a sharp fall. Still, operators were cautious not to sell the dollar toward 2.2 marks, fearing central bank intervention at that level.

The bearish fundamentals of the dollar were exacerbated by last week's uninspiring economic data coming out of the U.S. In particular, the wider-than-expected May trade gap suggested that the year-long decline in the dollar has not been sufficient enough to reduce the record U.S. trade deficit.

The Japanese yen gained the least against the dollar, as the market expects the Bank of Japan to prevent any further appreciation of the currency ahead of the July 6 elections. A 0.5 per cent decline in Japan's first-quarter gross national product confirmed that a strong yen has an outsized effect on this export-oriented economy.

The Japanese central bank may lower its discount rate to head off any further appreciation of the yen, thus enabling the U.S. Federal Reserve to follow suit. This expectation has already affected dollar interest rates, which fell sharply last week.

The breakout of most European currencies last Friday indicates they have reached a minor resistance level. But the major resistance still lies close to the previous high reached in May. If the currencies do not break out of these levels – 1.78–1.79 for the Swiss franc, 2.145–2.15 for the mark, 1.55 for the pound and 160 for the yen – they will spend more time making lateral moves. If the breakout occurs, the dollar is due for another big drop.

BOAZ BARAK

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:

General Share Index	116.54	–0.34%
Non-Bank Index	130.87	–0.98%
Arrangement	108.81	–0.02%
Insurance	145.61	–1.32%
Commerce, Services	154.36	–0.26%
Real Estate	158.90	–1.54%
Industrials	120.05	–0.83%
Textiles	143.15	–1.30%
Metals	112.60	–1.04%
Electronics	96.46	–0.23%
Chemicals	122.89	–0.53%
Industrial Invst.	113.80	–0.83%
Investment Cos.	132.10	–1.43%
General Bond Index	110.09	+0.05%
Index-linked Bonds	110.86	–0.01%
Fully-linked	112.63	+0.01%
Partially-linked	109.61	–0.03%
Dollar-linked Bonds	100.36	+0.05%
Short-term 0-2 yrs	108.49	–0.03%
Medium-term 2-5 yrs	109.19	–0.06%
Long-term 5+ yrs	107.77	+0.21%

Turnovers:

Shares – total	NIS 5,872,900
Arrangement	NIS 2,014,400
Non-bank	NIS 3,858,500
Bonds – total	NIS 8,430,600
Index-linked	NIS 6,614,600
Dollar-linked	NIS 1,816,000
Treasury Bills	NIS 809,800

Share Movements:

Advances	60	(151)
of which 5%+	10	(24)
"buyers only"	0	(4)
Declines	193	(68)
of which 5%+	36	(10)
"sellers only"	6	(1)
Unchanged	101	(139)
Trading Halt	57	(63)

Bond Market Trends:

Index-linked	
3% fully-linked	Stable
4.25% fully-linked	Stable/rises to 3%
80% linked	Slight falls
90% linked	Mixed to 1%
Double-linked	Mixed to 0.5%
Dollar-linked:	
Admon	Slight rises
Rimon	Falls to 1%
Gilboa	Rises to 1%
For. Curr. denominated	Rises to 3%
Treasury Bills (monthly yield)	1.41–1.69%

Arrangement yields:

IDB ord.	12.16%
Union 0.1	11.96%
Discount A	12.11%
Mizrahi r.	12.16%
Hapoalim r.	12.11%
General A	11.97%
Leumi stock	12.07%
Fin. Trade 1	10.77%

SELECTED PRICE QUOTATIONS

Name	Price	Volume '000NIS	% change
Commercial Banks (not part of "arrangement")			
Maritime 1	1008	1780	–5.4
General non-arr.	25785	88	–
First Int'l	3480	962	+1.7
FIBI	3705	3230	–
Commercial Banks (part of "arrangement")			
IDBr	82780	359	–
Union 0.1	61840	22	–0.1
Discount	105770	111	–0.1
Mizrahi	34070	362	–0.2
Hapoalim r	55300	718	–
General A	144300	–	–
Leumi 0.1	35798	2530	–
Fin. Trade	48800	–	–
Mortgage Banks			
Leumi mbrt. r	4320	315	–6.7
Dev. Mort.	1295	597	–4.8
Mishkan r	2242	1149	+2.0
Tefahot r	12000	150	+0.8
Merav r	4430	278	–1.6
Financial Institutions			
Agric C	no trading		
Ind. Dev. DD	no trading		
Clal Leasing 0.1	10980	73	–
Insurance			
Ararat 0.1 r	822	1319	–4.4
Hassneh r	466	22177	–1.9
Phoenix 0.1	658	589	–
Hamishmar	6700	17	–0.9
Menorah 1	7060	22	+6.0
Sahar r	4030	100	–5.8
Zion Hold. 1	16100	–	–
Trade & Services			
Meir Ezra	4450	197	+0.7
Supersol 2	4781	302	–
Delek r	2665	1676	–1.8
Lighterage	no trading		
Cold Storage	no trading		
Dan Hotels	3650	109	–
Yarden Hotel	3075	219	–3.9
Hilon 1	10000	5	–
Team 1	1740	104	–4.4
Real Estate, Building and Agriculture			
Azorim	595	9501	–
Elon	394	15963	–1.5
Africa Isr. 0.1	32400	20	–0.3
Dankner	3801	23	–1.3
Prop. & Bldg.	2495	2102	–1.4
Bayside 0.1	3886	s.o.1	–5.0
ILDC r	46800	75	–0.5
Rassco r	6631	160	+5.3
Mehadrin	6825	200	–2.7
Hadarim	1085	547	–2.3
Industrials			
Dubek b	3270	239	–
Pri-Ze 1	2211	635	–
Sunfrost	7520	117	–4.8
Elite	12500	64	–0.4
Adgar	843	1198	–3.1
Argaman r	11000	44	–5.2
Delta G 1	4400	147	–0.9
Maquette 1	21160	128	+5.0
Eagle 1	11100	30	–3.5
Polgat 0.5	8600	58	–
Schoellerina	no trading		
Rogosin	3250	667	–5.2
Urdan 0.1 r	9700	95	+1.3
Is. Can Co. 1	1105	2124	–1.3
Zion Cables	2097	736	–2.2
Pecker Steel	6280	50	–3.4
Elbit 3 r	410000	15	–
Elron	312000	4	–0.3
Arit	27550	41	–
Clal Electronics	2095	957	+0.5
Spectronix 1	2065	1795	–
T.A.T. 1	4167	78	–5.0
Ackerstein 1	1400	178	–2.8
Agan 5	19600	148	–1.1
Alliance	1794	665	–
Dexter	3565	130	–1.0
Fertilisers	6300	238	–
Haifa Chem.	798	4553	–
Teva r	50300	28	–
Dead Sea r	14750	576	–0.5
Petrochem.	500	9046	–1.2
Neca Chem.	3200	12	–4.5
Frutarom	9570	33	+10.0
Hadera Paper	198000	79	–2.0
Central Trade	6370	203	–0.3
Koor p	4880000	–	–
Clal Inds.	1275	9597	–1.4
Investment Companies			
IDB Dev. r	3620	1014	–2.2
Ellern	2380	742	–8.1
Afik 1	no trading		
Gahelet	1300	70	–1.6
Israel Corp. 1	no trading		
Wolfson 1 r	105000	6	–4.5
Hapoalim Inv.	4940	843	–5.0
Leumi Invest.	no trading		
Discount Invest.	2235	4040	–2.6
Mizrahi Invest.	14900	59	–
Clal 10	730	3029	–
Landeco 0.1	8000	24	–
Pama 0.1	9380	152	–
Oil Exploration			
Paz Oil Expl.	12400	71	–1.6
J.O.E.L.	1470	1783	–2.0

Abbreviations: s.o. sellers only; b.o. buyers only; b bearer; r registered

FINANCIAL DATA: ISRAEL, EUROPE, U.S.

ISRAEL MONEY MARKETS June 29, 1986

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.25% per month
Unlinked Deposit (Annual Rates)

	Last Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	27.6	7–17.25%	8–16.75%	7–17.25%
HAPOALIM	24.6	8–16.16%	8–16.7%	9–16.65%
DISCOUNT	5.6	7–13%	7–13%	9–14%
MIZRAHI	8.5	8–16%	6–15%	6–17%
FIRST INT'L	26.6	6–16%	7–16.7%	6–16.7%

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (as of June 29)

	3–MONTHS	6–MONTHS	12–MONTHS
USD	6.250	6.250	6.375
STG	8.625	8.000	8.625
DMK	4.000	4.000	4.125
SFR	5.000	4.375	4.250
YEN	3.125	3.125	3.125

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES

		CHEQUES AND TRANSFERS Buy	Sell	BANKNOTES Buy	Sell	Rep. Rates
U.S.A. Dollar	1	1.4842	1.5028	1.46	1.53	1.4953
U.K. Sterling	1	2.2552	2.2835	2.21	2.32	2.2729
Deutch Mark	1	0.6702	0.6786	0.66	0.69	0.6751
French Franc	1	0.2101	0.2127	0.20	0.22	0.2116
Dutch Florin	1	0.5951	0.6026	0.59	0.61	0.5994
Swiss Franc	1	0.8173	0.8275	0.80	0.84	0.8229
Swedish Krone	1	0.2074	0.2100	0.20	0.21	0.2088
Norweg. Krone	1	0.1965	0.1989	0.19	0.20	0.1980
Danish Krone	1	0.1808	0.1830	0.18	0.19	0.1820
Finnish Mark	1	0.2890	0.2927	0.28	0.30	0.2908
Canad. Dollar	1	1.0655	1.0788	1.05	1.10	1.0750
Austr. Dollar	1	0.9959	1.0084	0.93	1.02	1.0039
S. Africa Rand	1	0.5837	0.6011	0.47	0.62	0.5984
Belgian Franc	10	0.3248	0.3288	0.32	0.33	0.3303
Austrian Sch.	10	0.9532	0.9652	0.94	0.98	0.9602
Italian Lira	1000	0.9758	0.9080	0.96	1.01	0.9829
Japanese Yen	100	0.0957	0.9089	0.88	0.92	0.9024
Jordanian Dinar	1	—	—	4.17	4.43	4.2167
Egyptian Pound	1	—	—	0.79	0.84	0.8239

SUPPLIED BY **BANK LEUMI**

EUROPEAN FINANCIAL MARKETS

PRECIOUS METALS

GOLD:	LONDON	A.M. FIX	343.55	P.M. FIX	344.50
	PARIS	NOON FIX	344.61	ZURICH P.M.	344.65
SILVER:	LONDON	FIX	504.00		
PLATINUM:	LONDON	P.M.	438.60		
PALLADIUM:	LONDON	P.M.	110.85		

FOREIGN CURRENCY CROSS RATES (London 15.30GMT)
Forward Rates

	SPOT	2 MTHS	3 MTHS	6 MTHS
DEUTSCHE MARK	2.2080/95	97/92	134/129	250/240
POUND STERLING	1.5265/75	74/71	104/101	200/195
SWISS FRANC	1.8050/70	33/28	65/60	162/152
JAPANESE YEN	165.45/55	63/61	94/92	188/184
FRENCH FRANC	7.0480/10	30/45	45/65	90/120
ITALIAN LIRA	1520.00/75	1250/1350	1850/2000	3550/3700
DUTCH GULDEN	2.4885/95	32/28	49/45	125/118
BELGIAN FRANC	45.150/170	0.5/2	1/3.5	4/9
DANISH KRONE	8.1800/50	150/200	275/325	650/750
S.AFRICAN RAND	0.3995/05	36/31	48/43	80/70
EUROPEAN CURR. UNIT	0.9695/99	9/5	12/8	21/15
FINNISH MARK	5.1400/20	290/330	470/520	910/1010
AUSTRALIAN DOLLAR	0.6704/11	91/87	131/126	230/225
NORWEGIAN KRONE	7.5400/50	920/940	1355/1375	2690/2730

Formula for determining forward rates:
high/low (eg. 220/210) — deduct from spot price.
low/high (eg. 210/220) — add to spot price.

U.S. MONEY RATES

Prime 8.50%; Broker 7.75-8%; NY Euros 3 months 7-6⅞%; Fed Funds late 6⅞%

NEW YORK FOREIGN EXCHANGE

	DMK	SFR	STG	YEN	CAN
PREVIOUS CLOSING	2.2155/65	1.8140/60	1.5210/20	165.80/90	1.3928/33
OPENING	2.2130/50	1.8130/40	1.5215/30	165.60/70	1.3903/08
LATEST	2.2000/15	1.8005/20	1.5315/25	165.25/35	1.3875/80

Comment

The dollar straddled the psychologically important 2.20 mark-level in thin Friday afternoon dealings. Early dollar sales were tied to a $14.21 billion U.S. trade deficit for May, which fed a perception the dollar may have to weaken further in order for the trade imbalance to be redressed. A belief central banks will support the dollar lessened dollar selling.

ISRAELI STOCKS TRADED IN NEW YORK:

NYSE and ASE

	Last	Prev. Close	High	Low	Vol ('00s)
Alliance	2¾	2⅝	2¾	2¾	1
Am Isr Pap	13¼	13⅜	13¼	13¼	3
Ampal	2½	2⅜	2½	2⅝	103
Elscint	2	2	2	1⅞	232
Etz Lavud	13⅞	13⅝	13⅞	13⅞	2
Laser Inds	17¼	17	17½	16⅝	238

Over the counter

	last	bid	ask		last	bid	ask
Bank Leumi	—	21½	23½	Interpharm	—	5¼	5¾
Elbit	8⅜	8⅜	8⅝	Optrotech	8¾	8¾	8⅞
ECI Tel.	3	3	3¼	Rada	—	9	9¼
Elron	5⅝	5⅝	5⅞	Scitex	6⅛	5⅞	6⅛
Fibronics	9⅛	9⅛	9½	Taro-vit	—	3⅝	4
IDB Bank	—	50	54	Tevapharm	—	4⅛	4¼
IIS	4	3¾	4⅛	SPI	3⅛	3½	4¼

NEW YORK FINANCIAL MARKETS

WALL STREET Closing Prices

Dow Jones Indices

IND	1,885.26	+ 5.08
TRANS	777.50	+1.37
UTILS	198.78	+3.29
NYSE COMP	143.18	+0.51
NASD COMP	403.51	+0.84
S-P 100 INDEX	236.57	+0.62
S-P COMPOSITE	249.60	+0.86
AMEX INDEX	283.13	–0.72

NYSE Highest Volume

SANDERS AS	50½ +15¾
PANHAND PI	48⅝ +4⅜
ITT CORP	54 +1⅝
N.L. IND	14¾ +½
PHIL ELE	20⅞ +⅛
SAFEWAY	53¼ +1⅜
FREUHAUF	49½ +1
SCHLUMB	33⅞ +1
PHIBRO-SAL	48¼ +¾
ROCKEFLLER	19⅝ –⅛

Statistics

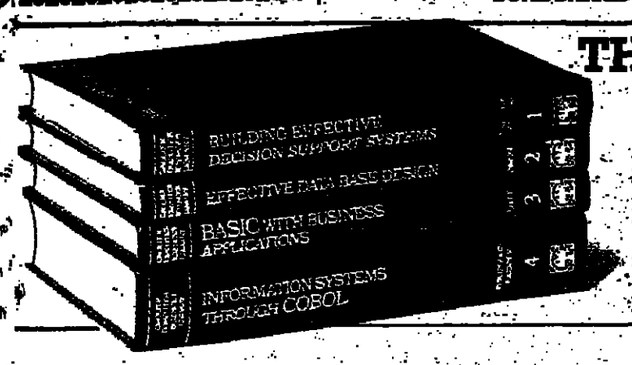
NYSE	VOL. 123,888,130	STOCKS UP 850	DOWN 676
NASDAQ	VOL. 138,302,200	STOCKS UP 1084	DOWN 1007

Comment

Stocks remained slightly higher, after a rally stalled at record levels early Friday. Takeover stories continued to boost trading, as did end-quarter fund buying and a strong credit market. But technical resistance and profit taking trimmed the advance.

Most active Sanders, up 15¾ to 50½, rejected as inadequate a takeover bid by Loral at $44 a share.

Overseas financial data – from Reuters exclusively to *The Jerusalem Post*.



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Unceasing fall out

THERE ARE times that try a nation's soul. Such is the present time for Israel. At issue is nothing less than the integrity of Israel's entire political system and its refusal to countenance a miscarriage of justice and perversion of the legal system.

Four years ago the government, then under Menachem Begin, decided to hold a judicial inquiry into the murder of Labour leader Chaim Arlosoroff half a century earlier. The matter did not seem to be of overwhelming public interest, but Mr. Begin insisted that the truth about it should be discovered, so that justice should at long last be done to his party in the matter. The inquiry was held, and it produced no particularly earth-shaking revelations.

Shortly after it started a band of Lebanese Phalangists massacred several hundred Palestinians in the Sabra and Shatilla camps. There was no real question of the direct responsibility of Israelis in that monstrous deed. But since the IDF had at the time been in control of the area, Mr. Begin, despite initial reluctance, agreed to have a judicial inquiry.

In retrospect, it seems inconceivable that the Kahan Commission should not have been called into being, and that the nation should not have searched its collective conscience about such indirect role as it played in that tragedy.

It is similarly – indeed all the more – inconceivable that Israel should treat as unworthy of a thorough judicial probe the travesty of justice that evidently took place in the wake of the killing of the two Arab terrorists captured after the bus line 300 hijacking.

Yesterday, at the government's weekly session, the party lines were clearly drawn. The Likud, led by Vice Premier Yitzhak Shamir, opposed any investigation of the "Shalom affair," especially now that Mr. Shalom had stepped down as director of the Shin Bet and, along with three associates, had been pardoned by the president for whatever crimes he might have committed in connection with the affair. The Alignment, at first split on the issue, with Premier Shimon Peres ruling out an inquiry, was now solidly arrayed in favour of it.

No vote was taken. If it were, the religious parties would have tilted the Likud-Alignment balance against any investigation. If the issue is taken to the inner cabinet, the result will probably be a tie, and thus deadlock.

This would be just, Likud leaders say, hoping to win immunity from investigation for both the Shin Bet and its 1984 civilian superior, Mr. Shamir, by dint of constant repetition of the argument that no Israeli door will shut hermetically enough to prevent the service's invaluable secrets from leaking out. And by claiming that the real purpose of those who seek to bring Mr. Shamir before an inquiry commission is to blow up the rotation agreement, under which he is due to regain the premiership in mid-October.

The assumption underlying the argument is that the Shin Bet's reputation for truthfulness will remain undamaged, and its word will continue to be accepted in the courts, even though four of its most senior officers have virtually confessed to lying to the Zorea Committee, the Blattman-Committee and to the service's own disciplinary court; that the army will continue to freely cooperate with the Shin Bet after one of its top officers has been falsely charged with a grave crime due to Shin Bet machinations; and that the minister in charge of the Shin Bet could wash his hands clean of the whole affair without either acknowledging his complicity in the dreadful charade or proving his innocence.

But that is all a wild illusion. Only in a totalitarian country is a secret service allowed to lay down rules of conduct for itself – and for the country at large. Israel is still a democracy committed to the rule of law. Even if the government were to win Knesset approval for burying the affair, and even if the High Court of Justice declined to go into it, it would not die but keep haunting Israel.

That the findings of a judicial commission of inquiry in the "Shalom affair" might affect the rotation is true. But if the idea of an inquiry is scotched by Mr. Shamir and his party colleagues, chances are that not enough Alignment ministers – and ministers aligned with the Alignment – will stay in the national unity government to keep it alive. A cover-up government will not endure.

Hot geography

A BATTLE of sorts has been raging for the past three weeks over a book so expensive most citizens could hardly afford to buy it. The book is the new edition of the *Israel Atlas*, produced by the Survey of Israel which is a department in David Levy's Ministry of Housing. Mr. Levy has ordered excised a couple of paragraphs from an article in the Atlas written by its editor-in-chief, Prof. David Amiran, dean of the country's geographers, on the ground that it contradicts the government's – by which he means the former Likud government's – position on Jewish settlement in Judea, Samaria, and Gaza.

Whether the excision of the offending paragraphs was the best method of dealing with the problem may be doubted. It would surely have been more dignified to insert an explanation in the still unprinted copies making it clear what Mr. Levy's own view in the matter is.

But Mr. Levy has a point. An official government publication – and the Atlas *is* an official government publication – is no place for the airing of contentious political views. Prof. Amiran is entitled to his opinion that the settlement drive beyond the Green Line by religious-nationalist elements, even within Arab towns, is calculated to produce a bi-nationalist Eretz Yisrael.

But since the opinion is not, to put it mildly, universally endorsed, it should, if at all, only have been put down alongside the contrary view on the matter.

ZAMIR

(Continued from Page One)

the cabinet had stymied plans to investigate the alleged Shin Bet wrongdoings and was nothing more than a smokescreen.

"The head of the Shin Bet has not left his post, and the others involved have not even announced their intention to resign. This I find reprehensible," said Zamir.

"There will always be pressure from various political camps, but never has such pressure been channelled to circumvent justice and the office of the attorney-general."

Recalling the political crisis that had surrounded the police investigation and subsequent trial of then-NRP MK Aharon Abuhatzeira, Zamir said: "The pressure on the political level was great indeed; but no one dared to confuse politics with justice. Never at any time during the Abuhatzeira trial was I approached with package deals.

Zamir cited *sub judice* laws which prevented him from commenting on today's High Court appeals challenging Herzog's presidential pardon and the cabinet decision to forgo an investigation of the Shin Bet affair.

Supreme Court President Meir Shamgar, his deputy, Miriam Ben-Porat, and Aharon Barak are expected to present a show cause order *(nisi)* to Attorney-General Yosef Harish, Justice Minister Yitzhak Moda'i and Police Inspector-General David Kraus, instructing them to explain why plans for the investigation Zamir ordered have been stalled.

Meanwhile, two men serving three years for white collar crimes have petitioned the High Court against what they term Herzog's "illegal" pardoning of the four Shin Bet men. Haim Lewis Weill and Aharon Degani, citing Herzog, Prime Minister Peres, Shamir, Yitzhak Moda'i and 10 other MKs and government officials, claim discrimination in their repeatedly unanswered requests for presidential clemency.

A chronic problem requiring a cure

YOSEF GOELL

MY WIFE is a hospital nurse. She's been one for the past 25 years, ever since she went back to complete her nursing studies after our youngest daughter reached kindergarten age.

Some of our friends tell me – and her – that she's an angel. Others – and there are more and more of them in recent years – tell me, rarely her, that she's a *freierit*, a naive fool, for working so hard for so little money.

I don't agree. I am extremely proud of her, because she does holy work. Society could, in the final analysis, get along quite well without the likes of me, but it wouldn't last very long without the likes of her.

She works much harder than I do, and she's paid about one-fourth less than I am. Since in all strikes we have developed the cute habit of waving around misleading pay slips, let me tell you on the up-and up, what my wife earns. In the past three months her net salary averaged NIS 894. I doubt whether other nurses with similar seniority and head-nurse rank make much more or less. Beginning nurses obviously earn much less.

Not only does my wife work much harder than I do, she bears direct responsibility daily for matters of life and death, presumably more than anyone does in the Electric Corporation, or the Mekorot water works, with two of the most overpaid staffs in the Israel economy.

In terms of responsibility, the work she and many other hospital nurses do is equivalent to that of airline pilots. But they work much harder than pilots do, in both wear-and-tear on their feet and on their nerves. There is no comparison, to the detriment of the hospital nurses, from the point of view of the wear-and-tear on their emotions.

I mention these other professions and places of work because several columnists, in commenting on the current hospital nurses' strike, have made the valid point that the same government and Histadrut leaders who are adamantly resisting their demands, pleading lack of money, are the ones who are also turning a blind eye to the reports of the payment of upward of $2 million in public funds in severence pay to Ernest Japhet, who has been forced out of his post as chairman of the board of Bank Leumi due to the findings of the Bejski Commission.

This is certainly a valid and sad comment, but the real basic unfairness of pay differentials lies in the comparison of the nurses in this case, not to the fat cats ripping off the system at the top, but to the much larger number of workers in professions that have won preferential pay by holding the entire country to ransom. It is distinctly uncomfortable to conjure up the possibility that people like my wife would cynically exploit the power over life and death, which they possess certainly to a greater degree than shift workers controlling the Electric Corporation.

I BELIEVE that the present nurses' strike is very serious to judge by my wife's behaviour. In the past, she always resisted joining in the short work stoppages decreed by the nurses' union in their fight for higher pay. She always went to work, in those cases, believing that her professional and human responsibility for her patients outweighed pure monetary considerations.

This time I find her, uncharacteristically complaining in rage at the platitudes mouthed by the various negotiators nightly on television. I believe that the rage that has built up among the hospital nurses does not derive from their being underpaid. They are, but that is nearly insoluble in Israel's inter-linked labour scene. What enrages them is that they bear a bone-crushing workload and that they believe they have been short-changed by their own Histadrut union. The solution to the hospital nurses strike should be sought in that direction.

Let's take my wife as an example. She has 99 days in accumulated annual leave plus, at the last count, over 700 hours of accumulated overtime. There have been no major wars or other emergencies in recent years to account for that accumulation. It is a result of a situation: at least one or two nurses are missing daily from the minimum roster of those who should be working in her emergency service. This situation is common throughout the hospital scene in the country.

I should add that the official quota (the *teken*) is itself woefully inadequate, for it is based on studies carried out some 20 years ago, when both the fields of medicine and nursing were much simpler, and it took fewer nursing hours to take care of each patient. As a result of the last nurses' strike the official work week of hospital nurses was reduced to 36 hours, but in actual fact they are required to work a full 40 hours, with the extra four hours a week considered overtime. To take my wife again as an example, on top of that automatic overtime, she puts in an additional three to five hours a week. The shortage of nurses makes it impossible for the hospitals to repay this overtime in additional leave.

From what I understand, there is no shortage of young women going to study nursing in the nursing schools and the special university nursing programmes. One of the favourable developments of recent years is that there are also a small but growing number of Israeli Arab men who are studying nursing.

THE PROBLEM begins after graduation when the young nurses discover what it is really like to work in the hospitals. At that point many of them go over to easier work in the clinics and the schools and to other, easier and more remunerative jobs, such as selling drugs and medical equipment, or being industrial nurses or El Al stewardesses, or leaving the paramedical field.

Awarding the hospital nurses much higher salaries entails changing the entire salary system, a veritable revolution that our political leaders are understandably moving heaven and earth to avoid. What is much more feasible is to offer the hospital nurses vastly improved working conditions that would ease their workload.

To start with, they could be offered a two-month annual vacation like teachers get. If that is not sufficient to attract more nurses to the hospitals and keep them there, they should also be offered sabbatical leave with pay every few years. These improvements should be given only to nurses who agree to work at full-time jobs in the hospitals. For one of the problems today is that a large number of young hospital nurses have gone over to working half-time jobs or even only one or two days a week. When one considers marginal tax rates and the cost of hiring household help to care for young children, it often pays for a young married nurse to go down to half time.

Another possible way of giving hospital nurses extra pay without having to extend it to other workers throughout the economy would be to bring the departmental work rosters up to date and then pay a department's nurses for the full roster of nurses. If a department finds itself short-staffed, the nurses doing the extra work would share in that extra pay.

That, of course would mean enlarging hospital budgets, at a time when those budgets have been pared to the bone. One of the causes of the present nurses strike is that the Ministry of Health and individual hospital managements have refused to close down departments and services in light of those axed budgets and have preferred instead to increase nurses' workloads in the hope that they would be stupid enough not to notice, or at least not to protest. Well, they have finally decided not to continue playing stupid.

One grievance specific to nurses is that they are frequently required to work on Shabbat and holidays and do evening and night shifts. That is so onerous, especially for young mothers, and elicits so much opposition from husbands and families, that one can think only of considerably increasing differential pay for such shifts or compensating by two shifts off for every such shift worked, in order to induce nurses to work those difficult shifts.

The implications of such improvements in working conditions are an unavoidable increase in hospitals' operating budgets and payment in a manner that would not elicit similar demands from other unions. If one maintains that hospital budgets cannot be raised for general economic reasons, then the decision should be made to close down hospital departments or entire hospitals, instead of employing the cop-out of exploiting nurses to bear the brunt of government policy. For we have already seen what that means – that more and more hospital nurses will simply abandon the profession.

BASICALLY, however, one reason why so many nurses have been abandoning, or not even considering hospital work is the same reason why many Jewish men have abandoned the building trades: it is a mass escape from hard work in an Israel that has become spoiled rotten in the past decade or so.

For the last problem, the solution is simple. Hospital nurses do have a legitimate grievance of having being short-changed by their own union and by the Histadrut establishment, which also wears the hat of the employer of most nurses who work for the Kupat Holim Clalit health fund.

The recent history of how the nurses union has treated the hospital nurses fully justifies their demanding a union of their own, empowered to negotiate with their employers.

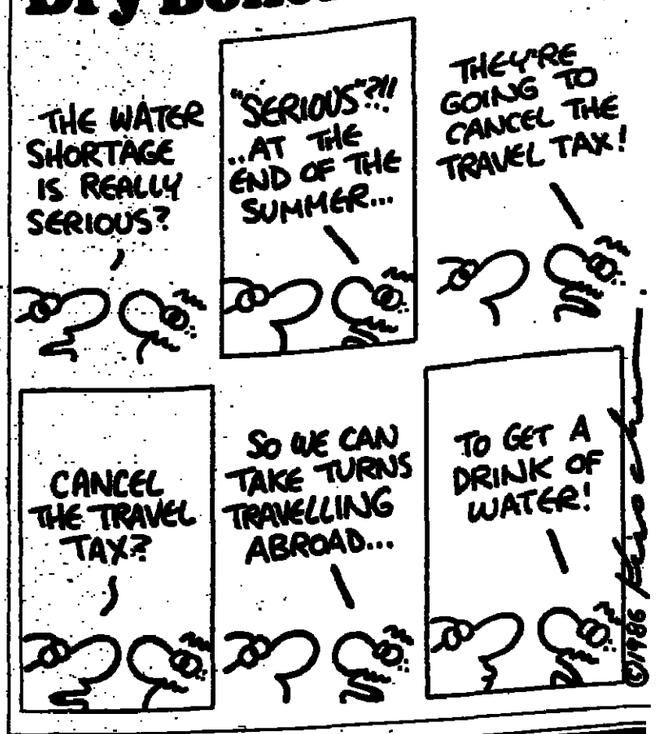
The issue here is reminiscent of the breakaway of the secondary school teachers from the Histadrut teachers union in the 1960s, because they also felt discriminated against by the majority, the elementary school teachers in that union. The secondary school teachers left the Histadrut.

In the present case, the Histadrut leadership should be alive to the fact that the hospital nurses do not really need the Histadrut or its Kupat Holim. It would certainly be more reasonable for the Histadrut leadership to admit its mistake and permit the establishment of a separate union within its fold than to have hospital nurses leave the Histadrut en masse.

The writer is a member of the editorial staff of The Jerusalem Post.

> 'If hospital budgets cannot be raised... the decision should be made to close down hospital departments, or entire hospitals, instead of employing the cop-out of exploiting the nurses to bear the brunt of government policy.'

Dry Bones



READERS' LETTERS

LAW AND SECURITY

To the Editor of The Jerusalem Post

Sir, – In connection with the latest affair concerning the GSS, it has been hotly debated whether there is a contradiction between the imperatives of the law and those of our internal and external security. The answers range over a wide spectrum of opinions from the absolute supremacy of the law to the priority of security. In my opinion, the whole debate is unnecessary and irrelevant to the case under review.

The so-called antagonism between law and security is based on a misunderstanding or deliberate misrepresentation of the situation this country has found itself in from the very beginning of its independent existence. There can be no doubt that different legal standards should be applied in a state of war than in times of peace. Even in England, the cradle of western democracy, aliens were interned and censorship was imposed in wartime, which is also true of the U.S. during World War II.

It is an illusion to think that Israel is living in peace with its neighbours. There are no formal peace treaties with most neighbouring countries, the armistice being interrupted by periodic bouts of fighting. Besides, we are engaged in a murderous war with terrorist gangs. It is highly debatable whether the Geneva Convention concerning the treatment of prisoners of war also applies to terrorists apprehended before or after attempted hostage-taking and murder.

The answer to the dilemma is thus both obvious and simple: the law should be upheld by all means, but a different code should prevail in wartime. We cannot afford to engage in a war of self-defence while indulging in the luxury of full civil liberties, as if we were living in times of peace.

EZRA MENTCHER
Haifa.

ALTERNATIVE ADS

To the Editor of The Jerusalem Post

Sir, – By far the worst part of the whole bus shelter affair is that it constitutes such a wasted opportunity on the part of religious people. The *haredim* should be buying up that advertising space and filling it with posters containing words of Tora. That would get the offensive pictures off the streets in a positive way, while bringing people to *Yiddishkeit*. The destruction of the shelters just creates hatred among Jews and teaches children to be vandals running from the law. These shelters, with their captive audiences, are the perfect places to put Tora on the streets of Jerusalem as never before.

CHAIM PHILLIPS
Jerusalem.

BELATED OUTRAGE

To the Editor of The Jerusalem Post

Sir, – The outrage of MK Avraham Shapira over the desecration of synagogues and holy books is somewhat belated.

Mutilated *siddurim* were all I found at the Western Wall during my latest visit, with all of the prayers designated for Independence Day deliberately cut out of the books.

A *siddur* was contemptuously flung to the floor of the Knesset by a member during a debate by the members – a Reform *siddur* which still contains the divine name and the traditional prayers.

And is it not a fact that, after the terrorist bombing of the Rue Copernic Synagogue in Paris, the Chief Rabbinate withheld any comment because, as a Reform house of worship, they deny that it is a synagogue?

Will Mr. Shapira and his partisans publicly condemn the extremists on his side, as the secularists have done with their extremists? Again it has been demonstrated that *avera goreret avera*.

Rabbi BERNARD H. BLOOM
Schenectady, New York.



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